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Director

County of Los Angeles
INTERNAL SERVICES DEPARTMENT

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"To enrich lives through effective and caring service"

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

16 March 20, 2018

March 20, 2018

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

CELIA ZAVALA
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**REQUEST FOR APPROVAL TO AWARD AND EXECUTE
RESIDENTIAL PROPERTY ASSESSED CLEAN ENERGY (PACE)
PROGRAM PROVIDERS MASTER AGREEMENTS
(ALL DISTRICTS - 3 VOTES)**

SUBJECT

The Internal Services Department (ISD) is requesting approval and authority to award and execute Master Agreements for Residential Property Assessed Clean Energy (PACE) Program Providers.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director, ISD, or his designee, to award and execute master agreements, substantially similar to Attachment 1, to provide program administration services under the Residential PACE Program Providers Master Agreement, following approval by your Board, for an initial term to expire on March 31, 2023, with five one-year extensions, and six month-to-month extensions.
2. Authorize the Director, ISD, or his designee to execute agreements with new vendors as they become qualified throughout the term of the Residential PACE Program Providers Master Agreement; exercise the renewal option extensions; suspend or terminate agreements for the administrative convenience of the County when vendors cease to be in administrative compliance (e.g., non-performance related issues, etc.); and execute applicable agreement amendments should the original contracting entity merge, be acquired, or otherwise have a change in entity, so long as such does not result in any net County cost, including those amendments for any programmatic enhancements to address market or Federal Housing Finance Agency changes, the exercise of any option years, or the Contractor's merger, acquisition, or change of ownership or entity.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

ISD, per the direction from your Board on October 11, 2016, in collaboration with Treasurer and Tax Collector (TTC), developed and released a Request for Statement of Qualifications (RSFQ) for Residential PACE Program Providers Master Agreement. It is recommended that your Board authorize the Director, ISD, to execute master agreements to administer residential PACE programs within Los Angeles County.

Implementation of Strategic Plan Goals

The recommended actions support County Strategic Plan Goal 1, Operational Effectiveness, by providing a program that promotes energy efficiency and conservation, and enhances health and sustainable practices in the County.

The recommended actions also support County Strategic Plan Goal 2, Community Support and Responsiveness, by providing a program that provides economic benefits to County constituents and supports greenhouse gas reductions throughout the County.

FISCAL IMPACT/FINANCING

Under the proposed agreements, the third-party administrators will provide residential PACE Program services at no cost to the County. The administrators will receive compensation through the fees and interest rates charged to property owners who utilize the PACE Program. Approval of the recommended master agreements does not guaranteed a contractor any minimum amount of work.

The administrators are required to reimburse the County for all costs borne by the County to administer the Contract and to support the PACE Program up to one percent (1%) of the par amount of the PACE Program assessment bonds issued. County costs may include, but are not limited to, collecting and distributing the assessment, ongoing administrative costs incurred by the County, outreach to stakeholders and coordination with other energy programs administered by the County.

The County Residential PACE Program Providers Master Agreements will not incur any net County costs.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The terms and conditions of the recommended Master Agreement (Attachment 1) have been approved as to form by County Counsel. The Master Agreement includes the Board's required contract provisions including those pertaining to consideration of qualified County employees targeted for layoff as well as qualified GAIN/GROW participants for employment openings, the County's Preference Programs, and compliance with the Jury Service Ordinance, Safely Surrendered Baby Law, Child Support Compliance Program, and the Countywide Local and Targeted Worker Hire Policy. The proposed agreements include all Board-required programmatic provisions, and are unchanged from the Sample Master Agreement that was issued with the RFSQ.

The recommended Master Agreement is not a Proposition A agreement and not subject to the Living Wage Program (County Code Chapter 2.201) since the services will be provided on an as-needed and intermittent basis. It has been determined that the services under these agreements do not

impact Board Policy No. 5.030, "Low Cost Labor Resource Program," because of the specialized nature of work.

Disclosure of Risks to Homeowners, Consumer Protections

The proposed agreement provides specific direction regarding language to be used in the PACE financing process which adequately discloses the potential risks and obligations of program participants. Property owners must sign a program document acknowledging the disclosures, which include: a description of the statements issued by Freddie Mac and Fannie Mae regarding possible restrictions on the purchase of mortgages with PACE assessments, and a directive for applicants to review their existing mortgage documents to determine if a PACE lien can be added to their property, and the eligibility of their mortgage to be acquired by Freddie Mac or Fannie Mae if a PACE assessment lien is included on the property.

The County's solicitation included an evaluation of each proposer's plan for consumer protection. The proposed agreements require the program administrators to develop a detailed consumer protection plan for homeowners addressing: predatory lending practices, unscrupulous contractors, and poor quality program servicing. The consumer protection plan must also include specific measures to protect seniors over 65 years of age and non-English speaking constituents among other, additional requirements.

CONTRACTING PROCESS

On October 12, 2017, ISD released an RFSQ for Residential PACE Program Providers Master Agreement services and posted the solicitation and contracting opportunity announcement on the County's "Doing Business with Us" web site (Attachment 2).

Four vendors submitted a Statement of Qualifications (SOQs) in response to the RFSQ and were determined to meet the qualifications of Phase 1 of the evaluation process. As a requirement to Phase 1, vendors provided signed statements certifying compliance with the following:

- Have the capability and willingness to design and implement the Program with no financial contribution or compensation by the County;
- Agree to only operate a single residential PACE program within the boundaries of the County;
- Agree to operate in compliance with applicable local regulation and State law governing PACE Programs (including without limitation AB 811, AB 474, SB 1340, AB 2618, SB 242, and AB 1284; and
- Certify that vendor understands and agrees that submission of the SOQ constitutes acknowledgement and acceptance of, and a willingness to comply with, all terms and conditions of the Statement of Work annexed hereto and made a part hereof, and of all terms and conditions contained in the agreement, as same may from time to time be amended.

Phase 2 of the evaluation process requires vendors to develop program documents for evaluation and approval in order to ensure adherence to PACE program requirements. ISD is currently evaluating program documents of four vendors in Phase 2.

New vendors may qualify at any time during the term of the Master Agreement by submitting a SOQ. Qualified vendors will be subsequently added to the Master Agreement provided they meet the minimum qualifications identified in the RFSQ.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on current services or projects provided by ISD, TTC, or County Counsel.

CONCLUSION

The Executive Office of the Board of Supervisors is requested to return two stamped and signed copies of each of the approved agreement to the Director of ISD.

Respectfully submitted,

A handwritten signature in blue ink that reads "Scott Minnix".

SCOTT MINNIX

Director

SM:DC:ML:JS:ct

Enclosures

c: Executive Office, Board of Supervisor
Chief Executive Officer
Chief Operating Officer
County Counsel
Auditor Controller



Sample

**MASTER AGREEMENT
BY AND BETWEEN
COUNTY OF LOS ANGELES
AND
[PROVIDER]
FOR
RESIDENTIAL PROPERTY ASSESSED CLEAN ENERGY (PACE)
PROGRAM PROVIDER**

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- C County's Administration
- D Provider's Administration
- E Acknowledgement and Confidentiality Agreement - Provider
- F EEO Certification
- G Contractor Employee Jury Service
- H Safely Surrendered Baby Law
- I Charitable Contributions Certification

**MASTER AGREEMENT BETWEEN
COUNTY OF LOS ANGELES
INTERNAL SERVICES DEPARTMENT
AND
[PROVIDER]
FOR
RESIDENTIAL PROPERTY ASSESSED CLEAN ENERGY PROGRAM PROVIDER**

This Master Agreement and Exhibits made and entered into this [DD] day of [MONTH], 20[YY] by and between the County of Los Angeles, Internal Services Department hereinafter referred to as County and [Provider], hereinafter referred to as Provider, to implement the County of Los Angeles' residential property assessed clean energy (PACE) program (Program).

RECITALS

WHEREAS, the County may contract with private businesses to implement PACE program services when certain requirements are met; and

WHEREAS, the Provider is a private firm specializing in implementing PACE program services; and

WHEREAS, this Master Agreement is therefore authorized under California Codes, Government Code Section 31000 which authorizes the Board of Supervisors to contract for special services; and

WHEREAS, the Board of Supervisors has authorized the Director of Internal Services Department or designee to execute and administer this Master Agreement; and

NOW THEREFORE, in consideration of the mutual covenants contained herein, and for good and valuable consideration, the parties agree to the following:

1.0 APPLICABLE DOCUMENTS

Exhibits A, B, C, D, E, F, G, H, and I are attached to and form a part of this Master Agreement (MA). In the event of any conflict or inconsistency in the definition or interpretation of any word, responsibility, schedule, or the contents or description of any task, deliverable, goods, service, or other work, or otherwise between the LACEP Program Report, MA, Exhibits (or between Exhibits), such conflict or inconsistency shall be resolved by giving precedence first to the LACEP Program Report, the MA, and then according to the following priority starting from Exhibit B and onwards:

- 1.1 Exhibit A LACEP Program Report
- 1.2 Exhibit B Statement of Work (and Attachments)
- 1.3 Exhibit C County's Administration
- 1.4 Exhibit D Provider's Administration
- 1.5 Exhibit E Acknowledgement and Confidentiality Agreement - Provider
- 1.6 Exhibit F EEO Certification
- 1.7 Exhibit G Contractor Employee Jury Service
- 1.8 Exhibit H Safely Surrendered Baby Law
- 1.9 Exhibit I Charitable Contributions Certification

This MA and the Exhibits hereto constitute the complete and exclusive statement of understanding between the parties, and supersedes all previous MAs, written and oral, and all communications between the parties relating to the subject matter of this MA. No change to this MA shall be valid unless prepared pursuant to paragraph 8.1 (Amendments) and signed by both parties.

2.0 DEFINITIONS

A list of definitions can be found in SOW, paragraph 2.0 (Definitions).

3.0 WORK

- 3.1 Pursuant to the provisions of this MA, the Provider shall fully perform, complete and deliver on time, all tasks, deliverables, services and other work as set forth herein.
- 3.3 If Provider performs any work providing any task, deliverable, or service to County that utilizes other than approved Provider personnel, and/or that goes beyond the MA expiration date as originally written or modified in accordance with paragraph 8.1 (Amendments), these shall be gratuitous efforts on the part of Provider for which Provider shall have no claim whatsoever against County.
- 3.4 It is understood by Provider that no work is guaranteed upon MA award.

4.0 TERM OF MASTER AGREEMENT

- 4.1 This MA is effective upon the date of its execution by Department Head or designee as authorized by the Board of Supervisors. This MA shall expire on March 31, 2023 unless sooner extended or terminated, in whole or in part, as provided herein.

4.2 County shall have the sole option to extend the MA term for up to five (5) additional one-year periods and six (6) month-to-month extensions. Each such option and extension shall be exercised at the sole discretion of the Department Head or designee as authorized by the Board of Supervisors.

County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an extension option.

4.3 Provider shall notify the Department when this MA is within six (6) months from the expiration of the term as provided for hereinabove. Upon occurrence of this event, Provider shall send written notification to the Department at the address herein provided in Exhibit C (County's Administration).

5.0 CONTRACT SUM

Provider will implement the Program at no cost to the County. Provider will receive compensation through the fees and interest rates charged to property owners who utilize the Program.

5.1 Other Payments

Provider shall provide moneys due to County such as for liquidated damages, fees assessed, and/or for any other applicable reason, within thirty (30) days when demand is made for other moneys. Provider shall remit all moneys by check:

Internal Services Department
1100 N Eastern Ave
Room 100, Cashier's Office
Los Angeles, CA 90063

In the event Provider declines to pay County for the moneys owed, County reserves the right to terminate this MA.

6.0 ADMINISTRATION OF MASTER AGREEMENT - COUNTY

A listing of all County Administration referenced in the following paragraphs are designated in Exhibit C (County's Administration). County shall notify the Provider in writing of any change in the names or addresses shown.

6.1 County's Contract Manager

County's Contract Manager or designee's responsibilities:

6.1.1 Negotiate, recommend all changes to this MA, and resolve disputes between the County and Provider.

6.1.2 Prepare Amendments in accordance with MA, paragraph 8.1 (Amendments).

6.1.3 Provide direction to Provider in the areas relating to County policy, information requirements, and procedural requirements.

6.2 County's Project Manager

County's Project Manager or designee's responsibilities:

6.2.1 Act as County's chief contact person with respect to the day-to-day administration of this MA and shall be the first person for Provider to contact with any questions.

6.2.2 Monitor and ensure that the technical standards and task requirements articulated in the MA are satisfactorily complied with, and shall provide, on request, such information, coordination, documentation, and materials as may be reasonably required by Provider to perform work.

6.2.3 Coordinate with Provider's Project Manager, on a regular basis, regarding the performance of Provider's personnel.

County's Project Manager is not authorized to make any changes in labor rates, dollar totals or periods of performance, or in the terms and conditions of this MA, except through formally prepared Amendments.

7.0 ADMINISTRATION OF MASTER AGREEMENT - PROVIDER

A listing of all Provider's Administration referenced in the following paragraphs are designated in Exhibit D (Provider's Administration). Provider shall notify County in writing of any change in the names or addresses shown.

7.1 Provider's Program Director

Provider's Program Director shall be an authorized official who represents and warrants that all requirements of Provider have been fulfilled to provide actual authority to such officials to execute documents under this MA on behalf of Provider.

7.2 Provider's Program Manager

Provider's Program Manager or designee's responsibilities:

7.2.1 The individual designated by the Provider to manage the MA operations, daily affairs, sign certain documents, and accept legal processes after the MA award.

7.2.2 Act as a central point of contact with the County shall have full authority to act for Provider on all matters relating to the daily operation of the MA.

7.2.3 Be available 24/7 and be able to effectively communicate, in English, both orally and in writing.

7.2.4 Coordinate with County's Project Manager on a regular basis with respect to all work.

7.2.5 Must have a minimum of one (1) year experience within the last five (5) years managing PACE programs of the size and complexity described in this MA as determined by the County.

7.3 Approval of Provider's Staff

County has the absolute right to approve or disapprove all of Provider's staff performing work hereunder and any proposed changes in Provider's staff, including, but not limited to, Provider's Program Manager. Provider shall provide County with a resume of each proposed substitute and an opportunity to interview such person prior to any staff substitution.

7.4 Background and Security Investigations

Provider shall comply with SOW, paragraph 3.3.2 (Background and Security Investigations).

7.5 Confidentiality

- 7.5.1** Provider shall maintain the confidentiality of all records and information in accordance with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures relating to confidentiality, including, without limitation, County policies concerning information technology security and the protection of confidential records and information.
- 7.5.2** Provider shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting, or professional fees, arising from, connected with, or related to any failure by Provider, its officers, employees, or agents, to comply with this paragraph, as determined by County in its sole judgment. Any legal defense pursuant to Provider's indemnification obligations under this paragraph shall be conducted by Provider and performed by counsel selected by Provider and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Provider fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Provider for all such costs and expenses incurred by County in doing so. Provider shall not have the right to enter into any settlement, agree to any injunction, or make any admission, in each case, on behalf of County without County's prior written approval.
- 7.5.3** Provider shall inform all of its officers, employees, and agents providing services hereunder of the confidentiality provisions of this MA.
- 7.5.4** Provider shall sign and adhere to the provisions of Exhibit E (Acknowledgement and Confidentiality Agreement - Provider).

8.0 STANDARD TERMS AND CONDITIONS

8.1 Amendments

- 8.1.1** For any change which affects the scope of work, term, Contract Sum, payments, or any term or condition included under this MA, an Amendment shall be prepared and executed by Provider and by Department Head or designee.
- 8.1.2** The County's Board of Supervisors or Chief Executive Officer or designee may require the addition and/or change of certain terms and conditions in the MA during the term of this MA. The County reserves the right to add and/or change such provisions as required by the County's Board of Supervisors or Chief Executive Officer. To implement such orders, an Amendment to the MA shall be prepared and executed by the Provider and by Department Head or designee.
- 8.1.3** The Department Head or designee may, at his/her sole discretion, authorize extensions of time as defined in paragraph 4.0 (Term of Master Agreement). The Provider agrees that such extensions of time shall not change any other term or condition of this MA during the period of such extensions. To implement an extension of time, an Amendment

to the MA shall be prepared and executed by the Provider and by Department Head or designee.

8.2 Assignment and Delegation

8.2.1 The Provider shall not assign its rights or delegate its duties under this MA, or both, whether in whole or in part, without the prior written consent of County, in its discretion, and any attempted assignment or delegation without such consent shall be null and void. For purposes of this paragraph, County consent shall require a written amendment to the MA, which is formally approved and executed by the parties. Any payments by the County to any approved delegate or assignee on any claim under this MA shall be deductible, at County's sole discretion, against the claims, which the Provider may have against the County.

8.2.2 Shareholders, partners, members, or other equity holders of Provider may transfer, sell, exchange, assign, or divest themselves of any interest they may have therein. However, in the event any such sale, transfer, exchange, assignment, or divestment is effected in such a way as to give majority control of Provider to any person(s), corporation, partnership, or legal entity other than the majority controlling interest therein at the time of execution of the MA, such disposition is an assignment requiring the prior written consent of County in accordance with applicable provisions of this MA.

8.2.3 Any assumption, assignment, delegation, or takeover of any of the Provider's duties, responsibilities, obligations, or performance of same by any entity other than the Provider, whether through assignment, subcontract, delegation, merger, buyout, or any other mechanism, with or without consideration for any reason whatsoever without County's express prior written approval, shall be a material breach of the MA which may result in the termination of this MA. In the event of such termination, County shall be entitled to pursue the same remedies against Provider as it could pursue in the event of default by Provider.

8.3 Authorization Warranty

The Provider represents and warrants that the person executing this MA for the Provider is an authorized agent who has actual authority to bind the Provider to each and every term, condition, and obligation of this MA and that all requirements of the Provider have been fulfilled to provide such actual authority.

8.4 Complaints

Provider shall develop, maintain and operate procedures for receiving, investigating and responding to complaints.

8.4.1 Within seven (7) business days after the MA effective date, Provider shall provide the County with the Provider's policy for receiving, investigating and responding to user complaints.

8.4.2 The County will review the Provider's policy and provide the Provider with approval of said plan or with requested changes.

8.4.3 If the County requests changes in the Provider's policy, the Provider shall make such changes and resubmit the plan within two (2) business days for County approval.

- 8.4.4 If, at any time, the Provider wishes to change the Provider's policy, the Provider shall submit proposed changes to the County for approval before implementation.
- 8.4.5 Provider shall preliminarily investigate all complaints and notify the County's Contract Manager of the status of the investigation within two (2) business days of receiving the complaint.
- 8.4.6 When complaints cannot be resolved informally, a system of follow-through shall be instituted which adheres to formal plans for specific actions and strict time deadlines.
- 8.4.7 Copies of all written responses shall be sent to the County's Contract Manager within two (2) business days of mailing to the complainant.

8.5 Compliance with Applicable Laws

- 8.5.1 In the performance of this MA, Provider shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, directives, guidelines, policies and procedures, and all provisions required thereby to be included in this MA are hereby incorporated herein by reference.
- 8.5.2 Provider shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all claims, demands, damages, liabilities, losses, costs, and expenses, including, without limitation, defense costs and legal, accounting and other expert, consulting or professional fees, arising from, connected with, or related to any failure by Provider, its officers, employees, or agents, to comply with any such laws, rules, regulations, ordinances, directives, guidelines, policies, or procedures, as determined by County in its sole judgment. Any legal defense pursuant to Provider's indemnification obligations under this paragraph shall be conducted by Provider and performed by counsel selected by Provider and approved by County. Notwithstanding the preceding sentence, County shall have the right to participate in any such defense at its sole cost and expense, except that in the event Provider fails to provide County with a full and adequate defense, as determined by County in its sole judgment, County shall be entitled to retain its own counsel, including, without limitation, County Counsel, and reimbursement from Provider for all such costs and expenses incurred by County in doing so. Provider shall not have the right to enter into any settlement, agree to any injunction or other equitable relief, or make any admission, in each case, on behalf of County without County's prior written approval.

8.6 Compliance with Civil Rights Laws

Provider hereby assures that it will comply with Subchapter VI of the Civil Rights Act of 1964, 42 USC Sections 2000 (e) (1) through 2000 (e) (17), to the end that no person shall, on the grounds of race, creed, color, sex, religion, ancestry, age, condition of physical handicap, marital status, political affiliation, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this MA or under any project, program, or activity supported by this MA. Provider shall comply with Exhibit F (EEO Certification).

8.7 Compliance with County's Jury Service Program

This MA is subject to the provisions of the "Jury Service Program" (County's ordinance entitled Contractor Employee Jury Service as codified in Sections 2.203.010 through 2.203.090 of the Los

Angeles County Code), a copy of which is attached as Exhibit G and incorporated by reference into and made part of this MA.

8.7.1 For purposes of this paragraph:

8.7.1.1 “Contractor” (interchangeable with Provider) means a person, partnership, corporation or other entity which has a contract with the County or a subcontract with a County contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more County contracts or subcontracts.

8.7.1.2 “Employee” means any California resident who is a full time employee of Contractor.

8.7.1.3 “Full-time” means 40 hours or more worked per week, or a lesser number of hours if: 1) the lesser number is a recognized industry standard as determined by the County, or 2) Contractor has a long-standing practice that defines the lesser number of hours as full-time. Full-time employees providing short-term, temporary services of 90 days or less within a 12-month period are not considered full-time for purposes of the Jury Service Program.

8.7.2 Unless Contractor has demonstrated to the County’s satisfaction either that Contractor is not a “Contractor” as defined under Jury Service Program Section 2.203.020 of the County Code or that Contractor qualifies for an exception to the Jury Service Program Section 2.203.070 of the County Code, Contractor shall have and adhere to a written policy that provides that its employees shall receive from the Contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the Contractor or that the Contractor deduct from the employee’s regular pay the fees received for jury service.

8.7.3 If Contractor is not required to comply with the Jury Service Program when the MA commences, Contractor shall have a continuing obligation to review the applicability of its “exception status” from the Jury Service Program, and Contractor shall immediately notify County if Contractor at any time either comes within the Jury Service Program’s definition of “Contractor” or if Contractor no longer qualifies for an exception to the Jury Service Program. In either event, Contractor shall immediately implement a written policy consistent with the Jury Service Program. The County may also require, at any time during the MA and at its sole discretion, that Contractor demonstrate to the County’s satisfaction that Contractor either continues to remain outside of the Jury Service Program’s definition of “Contractor” and/or that Contractor continues to qualify for an exception to the Program.

8.7.4 Contractor’s violation of this paragraph of the MA may constitute a material breach of the MA. In the event of such material breach, County may, in its sole discretion, terminate the MA and/or bar Contractor from the award of future County contracts for a period of time consistent with the seriousness of the breach.

8.8 Conflict of Interest

8.8.1 No County employee whose position with the County enables such employee to influence the award of this MA or any competing MA, and no spouse or economic dependent of such employee, shall be employed in any capacity by the Provider or have any other direct or indirect financial interest in this MA. No officer or employee of the Provider who may financially benefit from the performance of work hereunder shall in any way participate in the County's approval, or ongoing evaluation, of such work, or in any way attempt to unlawfully influence the County's approval or ongoing evaluation of such work.

8.8.2 Provider shall comply with all conflict of interest laws, ordinances, and regulations now in effect or hereafter to be enacted during the term of this MA. Provider warrants that it is not now aware of any facts that create a conflict of interest. If the Provider hereafter becomes aware of any facts that might reasonably be expected to create a conflict of interest, it shall immediately make full written disclosure of such facts to the County. Full written disclosure shall include, but is not limited to, identification of all persons implicated and a complete description of all relevant circumstances. Failure to comply with the provisions of this paragraph shall be a material breach of this MA.

8.9 Consideration of Hiring County Employees Targeted for Layoff or Re-employment

Should the Provider require additional or replacement personnel after the effective date of this MA to perform the services set forth herein, the Provider shall give first consideration for such employment openings to qualified, permanent County employees who are targeted for layoff or qualified, former County employees who are on a re-employment list during the life of this MA.

8.10 Consideration of Hiring GAIN/GROW Participants

8.10.1 Should the Provider require additional or replacement personnel after the effective date of this MA, the Provider shall give consideration for any such employment openings to participants in the County's Department of Public Social Services Greater Avenues for Independence (GAIN) Program or General Relief Opportunity for Work (GROW) Program who meet the Provider's minimum qualifications for the open position. For this purpose, consideration shall mean that the Provider will interview qualified candidates. The County will refer GAIN/GROW participants by job category to the Provider. Providers shall report all job openings with job requirements to: GAINGROW@dpss.lacounty.gov to obtain a list of qualified GAIN/GROW job candidates.

8.10.2 In the event that both laid-off County employees and GAIN/GROW participants are available for hiring, County employees shall be given first priority.

8.11 Contractor Responsibility and Debarment

For purposes of this paragraph, "Contractor" is interchangeable with Provider.

8.11.1 Responsible Contractor

A responsible Contractor is a Contractor who has demonstrated the attribute of trustworthiness, as well as quality, fitness, capacity and experience to satisfactorily

perform the MA. It is the County's policy to conduct business only with responsible Contractors.

8.11.2 Chapter 2.202 of the County Code

The Contractor is hereby notified that, in accordance with Chapter 2.202 of the County Code, if the County acquires information concerning the performance of the Contractor on this or other contracts which indicates that the Contractor is not responsible, the County may, in addition to other remedies provided in this MA, debar the Contractor from bidding or proposing on, or being awarded, and/or performing work on County contracts for a specified period of time, which generally will not exceed five years but may exceed five years or be permanent if warranted by the circumstances, and terminate any or all existing contracts the Contractor may have with the County.

8.11.3 Non-responsible Contractor

The County may debar a Contractor if the Board of Supervisors finds, in its discretion, that the Contractor has done any of the following: 1) violated a term of a contract with the County or a nonprofit corporation created by the County, 2) committed an act or omission which negatively reflects on the Contractor's quality, fitness or capacity to perform a contract with the County, any other public entity, or a nonprofit corporation created by the County, or engaged in a pattern or practice which negatively reflects on same, 3) committed an act or offense which indicates a lack of business integrity or business honesty, or 4) made or submitted a false claim against the County or any other public entity.

8.11.4 Contractor Hearing Board

8.11.4.1 If there is evidence that the Contractor may be subject to debarment, the Department will notify the Contractor in writing of the evidence which is the basis for the proposed debarment and will advise the Contractor of the scheduled date for a debarment hearing before the Contractor Hearing Board.

8.11.4.2 The Contractor Hearing Board will conduct a hearing where evidence on the proposed debarment is presented. The Contractor and/or the Contractor's representative shall be given an opportunity to submit evidence at that hearing. After the hearing, the Contractor Hearing Board shall prepare a tentative proposed decision, which shall contain a recommendation regarding whether the Contractor should be debarred, and, if so, the appropriate length of time of the debarment. The Contractor and the Department shall be provided an opportunity to object to the tentative proposed decision prior to its presentation to the Board of Supervisors.

8.11.4.3 After consideration of any objections, or if no objections are submitted, a record of the hearing, the proposed decision, and any other recommendation of the Contractor Hearing Board shall be presented to the Board of Supervisors. The Board of Supervisors shall have the right to

modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.11.4.4 If a Contractor has been debarred for a period longer than five (5) years, that Contractor may after the debarment has been in effect for at least five (5) years, submit a written request for review of the debarment determination to reduce the period of debarment or terminate the debarment. The County may, in its discretion, reduce the period of debarment or terminate the debarment if it finds that the Contractor has adequately demonstrated one or more of the following: 1) elimination of the grounds for which the debarment was imposed; 2) a bona fide change in ownership or management; 3) material evidence discovered after debarment was imposed; or 4) any other reason that is in the best interests of the County.

8.11.4.5 The Contractor Hearing Board will consider a request for review of a debarment determination only where (1) the Contractor has been debarred for a period longer than five (5) years; (2) the debarment has been in effect for at least five (5) years; and (3) the request is in writing, states one or more of the grounds for reduction of the debarment period or termination of the debarment, and includes supporting documentation. Upon receiving an appropriate request, the Contractor Hearing Board will provide notice of the hearing on the request. At the hearing, the Contractor Hearing Board shall conduct a hearing where evidence on the proposed reduction of debarment period or termination of debarment is presented. This hearing shall be conducted and the request for review decided by the Contractor Hearing Board pursuant to the same procedures as for a debarment hearing.

8.11.4.6 The Contractor Hearing Board's proposed decision shall contain a recommendation on the request to reduce the period of debarment or terminate the debarment. The Contractor Hearing Board shall present its proposed decision and recommendation to the Board of Supervisors. The Board of Supervisors shall have the right to modify, deny, or adopt the proposed decision and recommendation of the Contractor Hearing Board.

8.12 Acknowledgement of County's Commitment to Safely Surrendered Baby Law

Provider acknowledges that the County places a high priority on the implementation of the Safely Surrendered Baby Law. Provider understands that it is the County's policy to encourage all County contractors to voluntarily post the County's "Safely Surrendered Baby Law" poster, in a prominent position at the contractor's place of business. Information and posters for printing are available at www.babysafela.org.

8.13 Warranty of Adherence to County's Child Support Compliance Program

8.13.1 Provider acknowledges that the County has established a goal of ensuring that all individuals who benefit financially from the County through the MA are in compliance with their court-ordered child, family and spousal support obligations in order to mitigate the economic burden otherwise imposed upon the County and its taxpayers.

8.13.2 As required by the County's Child Support Compliance Program (County Code Chapter 2.200) and without limiting the Provider's duty under this MA to comply with all applicable provisions of law, the Provider warrants that it is now in compliance and shall during the term of this MA maintain in compliance with employment and wage reporting requirements as required by the Federal Social Security Act (42 USC Section 653a) and California Unemployment Insurance Code Section 1088.5, and shall implement all lawfully served Wage and Earnings Withholding Orders or Child Support Services Department Notices of Wage and Earnings Assignment for Child, Family or Spousal Support, pursuant to Code of Civil Procedure Section 706.031 and Family Code Section 5246(b).

8.14 County's Quality Assurance Plan

8.14.1 Provider shall comply with SOW, paragraph 8.0 (Contract Compliance).

8.14.2 The County maintains databases that track/monitor contractor performance history. Information entered into such databases may be used for a variety of purposes, including determining whether the County will exercise an extension option.

8.14.3 The County or its agent(s) will monitor the Provider's performance under this MA on not less than an annual basis. Such monitoring will include assessing the Provider's compliance with all MA terms and conditions and performance standards. Provider's deficiencies which the County determines are significant or continuing and that may place performance of the MA in jeopardy if not corrected will be reported to the Board of Supervisors and listed in the appropriate contractor performance database. The report to the Board will include improvement/ corrective action measures taken by the County and the Provider. If improvement does not occur consistent with the corrective action measures, the County may terminate this MA or impose other penalties as specified in this MA.

8.15 Damage to County Facilities, Buildings or Grounds

8.15.1 Provider shall repair, or cause to be repaired, at its own cost, any and all damage to County facilities, buildings, or grounds caused by Provider or employees or agents of Provider. Such repairs shall be made immediately after Provider has become aware of such damage, but in no event later than thirty (30) days after the occurrence.

8.15.2 If Provider fails to make timely repairs, County may make any necessary repairs. All costs incurred by County, as determined by County, for such repairs shall be repaid by Provider by cash payment upon demand.

8.16 Employment Eligibility Verification

8.16.1 Provider warrants that it fully complies with all Federal and State statutes and regulations regarding the employment of aliens and others and that all its employees performing work under this MA meet the citizenship or alien status requirements set forth in Federal and State statutes and regulations. Provider shall obtain, from all employees performing work hereunder, all verification and other documentation of employment eligibility status required by Federal and State statutes and regulations including, but not limited to, the Immigration Reform and Control Act of 1986, (P.L. 99-603), or as they currently exist

and as they may be hereafter amended. Provider shall retain all such documentation for all covered employees for the period prescribed by law.

- 8.16.2** Provider shall indemnify, defend, and hold harmless, the County, its agents, officers, and employees from employer sanctions and any other liability which may be assessed against the Provider or the County or both in connection with any alleged violation of any Federal or State statutes or regulations pertaining to the eligibility for employment of any persons performing work under this MA.

8.17 Facsimile Representations

County and Provider hereby agree to regard facsimile representations of original signatures of authorized officers of each party, when appearing in appropriate places on the Amendments prepared pursuant to paragraph 8.1, and received via communications facilities, as legally sufficient evidence that such original signatures have been affixed to Amendments to this MA, such that the parties need not follow up facsimile transmissions of such documents with subsequent (non-facsimile) transmission of "original" versions of such documents.

8.18 Fair Labor Standards

Provider shall comply with all applicable provisions of the Federal Fair Labor Standards Act and shall indemnify, defend, and hold harmless the County and its agents, officers, and employees from any and all liability, including, but not limited to, wages, overtime pay, liquidated damages, penalties, court costs, and attorneys' fees arising under any wage and hour law, including, but not limited to, the Federal Fair Labor Standards Act, for work performed by the Provider's employees for which the County may be found jointly or solely liable.

8.19 Force Majeure

- 8.19.1** Neither party shall be liable for such party's failure to perform its obligations under and in accordance with this MA, if such failure arises out of fires, floods, epidemics, quarantine restrictions, other natural occurrences, strikes, lockouts (other than a lockout by such party), freight embargoes, or other similar events to those described above, but in every such case the failure to perform must be totally beyond the control and without any fault or negligence of such party (such events are referred to in this paragraph as "force majeure events").

- 8.19.2** In the event Provider's failure to perform arises out of a force majeure event, Provider agrees to use commercially reasonable best efforts to obtain goods or services from other sources, if applicable, and to otherwise mitigate the damages and reduce the delay caused by such force majeure event.

8.20 Governing Law, Jurisdiction, and Venue

This MA shall be governed by, and construed in accordance with, the laws of the State of California. Provider agrees and consents to the exclusive jurisdiction of the courts of the State of California for all purposes regarding this MA and further agrees and consents that venue of any action brought hereunder shall be exclusively in the County of Los Angeles.

8.21 Independent Contractor Status

8.21.1 This MA is by and between the County and Provider and is not intended, and shall not be construed, to create the relationship of agent, servant, employee, partnership, joint venture, or association, as between the County and the Provider. The employees and agents of one party shall not be, or be construed to be, the employees or agents of the other party for any purpose whatsoever.

8.21.2 Provider shall be solely liable and responsible for providing to, or on behalf of, all persons performing work pursuant to this MA all compensation and benefits. The County shall have no liability or responsibility for the payment of any salaries, wages, unemployment benefits, disability benefits, Federal, State, or local taxes, or other compensation, benefits, or taxes for any personnel provided by or on behalf of the Provider.

8.21.3 Provider understands and agrees that all persons performing work pursuant to this MA are, for purposes of Workers' Compensation liability, solely employees of the Provider and not employees of the County. Provider shall be solely liable and responsible for furnishing any and all Workers' Compensation benefits to any person as a result of any injuries arising from or connected with any work performed by or on behalf of the Provider pursuant to this MA.

8.21.4 The Provider shall adhere to the provisions stated in paragraph 7.5 (Confidentiality).

8.22 Indemnification

Provider shall indemnify, defend and hold harmless the County, its Special Districts, elected and appointed officers, employees, agents and volunteers ("County Indemnitees") from and against any and all liability, including but not limited to demands, claims, actions, fees, costs and expenses (including attorney and expert witness fees), arising from and/or relating to this MA, except for such loss or damage arising from the sole negligence or willful misconduct of the County Indemnitees.

8.23 General Provisions for all Insurance Coverage

Without limiting Provider's indemnification of County, and in the performance of this MA and until all of its obligations pursuant to this MA have been met, Provider shall provide and maintain at its own expense insurance coverage satisfying the requirements specified in this paragraph and paragraph 8.24 of this MA. These minimum insurance coverage terms, types and limits (the "Required Insurance") also are in addition to and separate from any other contractual obligation imposed upon Provider pursuant to this MA. The County in no way warrants that the Required Insurance is sufficient to protect the Provider for liabilities which may arise from or relate to this MA.

8.23.1 Evidence of Coverage and Notice to County

Certificates and copies of any required endorsements shall be sent to:

Internal Services Department
Contracting Division, Contracts Section
1100 N Eastern Ave
Los Angeles, CA 90063

Certificate(s) of insurance coverage (Certificate) satisfactory to County, and a copy of an Additional Insured endorsement confirming County and its Agents (defined below) has been given Insured status under the Provider's General Liability policy, shall be delivered to County prior to commencing services under this MA.

- 8.23.1.1** Renewal Certificates shall be provided to County not less than 10 days prior to Provider's policy expiration dates. The County reserves the right to obtain complete, certified copies of any required Provider insurance policies at any time.
- 8.23.1.2** Certificates shall identify all Required Insurance coverage types and limits specified herein, reference this MA by name or number, and be signed by an authorized representative of the insurer(s). The Insured party named on the Certificate shall match the name of the Provider identified as the contracting party in this MA. Certificates shall provide the full name of each insurer providing coverage, its NAIC (National Association of Insurance Commissioners) identification number, its financial rating, the amounts of any policy deductibles or self-insured retentions exceeding fifty thousand (\$50,000.00) dollars, and list any County required endorsement forms.
- 8.23.1.3** Neither the County's failure to obtain, nor the County's receipt of, or failure to object to a non-complying insurance certificate or endorsement, or any other insurance documentation or information provided by the Provider, its insurance broker(s) and/or insurer(s), shall be construed as a waiver of any of the Required Insurance provisions.
- 8.23.1.4** Provider also shall promptly report to County any injury or property damage accident or incident, including any injury to a Provider employee occurring on County property, and any loss, disappearance, destruction, misuse, or theft of County property, monies or securities entrusted to Provider. Provider also shall promptly notify County of any third party claim or suit filed against Provider which arises from or relates to this MA, and could result in the filing of a claim or lawsuit against Provider and/or County.

8.23.2 Additional Insured Status and Scope of Coverage

The County of Los Angeles, its Special Districts, Elected Officials, Officers, Agents, Employees and Volunteers (collectively County and its Agents) shall be provided additional insured status under Provider's General Liability policy with respect to liability arising out of Provider's ongoing and completed operations performed on behalf of the County. County and its Agents additional insured status shall apply with respect to liability and defense of suits arising out of the Provider's acts or omissions, whether such liability is attributable to the Provider or to the County. The full policy limits and scope of protection also shall apply to the County and its Agents as an additional insured, even if they exceed the County's minimum Required Insurance specifications herein. Use of an automatic additional insured endorsement form is acceptable providing it satisfies the Required Insurance provisions herein.

8.23.3 Cancellation of or Changes in Insurance

Provider shall provide County with, or Provider's insurance policies shall contain a provision that County shall receive, written notice of cancellation or any change in Required Insurance, including insurer, limits of coverage, term of coverage or policy period. The written notice shall be provided to County at least ten (10) days in advance of cancellation for non-payment of premium and thirty (30) days in advance for any other cancellation or policy change. Failure to provide written notice of cancellation or any change in Required Insurance may constitute a material breach of the MA, in the sole discretion of the County, upon which the County may suspend or terminate this MA.

8.23.4 Failure to Maintain Insurance

Provider's failure to maintain or to provide acceptable evidence that it maintains the Required Insurance shall constitute a material breach of the MA, upon which County immediately may assess liquidated damage from Provider, and/or suspend or terminate this MA. County, at its sole discretion, may obtain damages from Provider resulting from said breach. Alternatively, the County may purchase the Required Insurance, and assess the premium cost from Provider or pursue Provider reimbursement.

8.23.5 Insurer Financial Ratings

Coverage shall be placed with insurers acceptable to the County with A.M. Best ratings of not less than A:VII unless otherwise approved by County.

8.23.6 Provider's Insurance Shall Be Primary

Provider's insurance policies, with respect to any claims related to this MA, shall be primary with respect to all other sources of coverage available to Provider. Any County maintained insurance or self-insurance coverage shall be in excess of and not contribute to any Provider coverage.

8.23.7 Waivers of Subrogation

To the fullest extent permitted by law, the Provider hereby waives its rights and its insurer(s)' rights of recovery against County under all the Required Insurance for any loss arising from or relating to this MA. Provider shall require its insurers to execute any waiver of subrogation endorsements which may be necessary to effect such waiver.

8.23.8 Deductibles and Self-Insured Retentions (SIRs)

Provider's policies shall not obligate the County to pay any portion of any Provider deductible or SIR. The County retains the right to require Provider to reduce or eliminate policy deductibles and SIRs as respects the County, or to provide a bond guaranteeing Provider's payment of all deductibles and SIRs, including all related claims investigation, administration and defense expenses. Such bond shall be executed by a corporate surety licensed to transact business in the State of California.

8.23.9 Claims Made Coverage

If any part of the Required Insurance is written on a claims made basis, any policy retroactive date shall precede the effective date of this MA. Provider understands and

agrees it shall maintain such coverage for a period of not less than three (3) years following MA expiration, termination or cancellation.

8.23.10 Application of Excess Liability Coverage

Provider may use a combination of primary, and excess insurance policies which provide coverage as broad as the underlying primary policies, to satisfy the Required Insurance provisions.

8.23.11 Separation of Insureds

All liability policies shall provide cross-liability coverage as would be afforded by the standard ISO (Insurance Services Office, Inc.) separation of insureds provision with no insured versus insured exclusions or limitations.

8.23.12 Alternative Risk Financing Programs

The County reserves the right to review, and then approve, Provider use of self-insurance, risk retention groups, risk purchasing groups, pooling arrangements and captive insurance to satisfy the Required Insurance provisions. The County and its Agents shall be designated as an Additional Covered Party under any approved program.

8.23.13 County Review and Approval of Insurance Requirements

The County reserves the right to review and adjust the Required Insurance provisions, conditioned upon County's determination of changes in risk exposures.

8.24 Insurance Coverage

8.24.1 Commercial General Liability insurance (providing scope of coverage equivalent to ISO policy form CG 00 01), naming County and its Agents as an additional insured, with limits of not less than:

General Aggregate:	\$2 million
Products/Completed Operations Aggregate:	\$1 million
Personal and Advertising Injury:	\$1 million
Each Occurrence:	\$1 million

8.24.2 Automobile Liability insurance (providing scope of coverage equivalent to ISO policy form CA 00 01) with limits of not less than \$1 million for bodily injury and property damage, in combined or equivalent split limits, for each single accident. Insurance shall cover liability arising out of Provider's use of autos pursuant to this MA, including owned, leased, hired, and/or non-owned autos, as each may be applicable.

8.24.3 Workers Compensation and Employers' Liability insurance or qualified self-insurance satisfying statutory requirements, which includes Employers' Liability coverage with limits of not less than \$1 million per accident. If Provider will provide leased employees, or, is an employee leasing or temporary staffing firm or a professional employer organization (PEO), coverage also shall include an Alternate Employer Endorsement (providing scope of coverage equivalent to ISO policy form WC 00 03 01 A) naming the County as the Alternate Employer, and the endorsement form shall be

modified to provide that County will receive not less than thirty (30) days advance written notice of cancellation of this coverage provision. If applicable to Provider's operations, coverage also shall be arranged to satisfy the requirements of any federal workers or workmen's compensation law or any federal occupational disease law.

8.24.4 Professional Liability/Errors and Omissions insurance covering Provider's liability arising from or related to this MA, with limits of not less than \$1 million per claim and \$2 million aggregate. Further, Provider understands and agrees it shall maintain such coverage for a period of not less than three (3) years following this MA's expiration, termination or cancellation.

8.24.5 Privacy/Network Security (Cyber) liability coverage providing protection against liability for 1) privacy breaches (liability arising from the loss or disclosure of confidential information no matter how it occurs) 2) system breach 3) denial or loss of service 4) introduction, implantation, or spread of malicious software code 5) unauthorized access to or use of computer systems with limits of \$2 million. No exclusion/restriction for unencrypted portable devices/media may be on the policy.

8.25 Liquidated Damages

8.25.1 If, in the judgment of the Department Head, the Provider is deemed to be non-compliant with the terms and obligations assumed hereby, the Department Head or designee, at his/her option, in addition to, or in lieu of, other remedies provided herein, may assess liquidated damages from Provider. A description of the work not performed and the amount to be assessed from the Provider, will be forwarded to the Provider by the Department Head or designee, in a written notice describing the reasons for said action.

8.25.2 If the Department Head determines that there are deficiencies in the performance of this MA that the Department Head or designee, deems are correctable by the Provider over a certain time span, the Department Head or designee, will provide a written notice to the Provider to correct the deficiency within specified time frames. Should the Provider fail to correct deficiencies within said time frame, the Department Head may:

8.25.2.1 Assess liquidated damages. The parties agree that it will be impracticable or extremely difficult to fix the extent of actual damages resulting from the failure of the Provider to correct a deficiency within the specified time frame. The parties hereby agree that under the current circumstances a reasonable estimate of such damages is one hundred dollars (\$100) per day per infraction, or as may be specified in the PRS, and that Provider shall be liable to the County for liquidated damages in said amount. Said amount shall be assessed from the Provider; and/or

8.25.2.2 Upon giving ten (10) business days' notice to the Provider for failure to correct the deficiencies, the County may correct any and all deficiencies and the total costs incurred by the County for completion of the work by an alternate source, whether it be County forces or separate private contractor, will be assessed from the County, as determined by the County.

8.25.3 The action noted in paragraph 8.25.2 shall not be construed as a penalty, but as adjustment to recover the County cost due to the failure of the Provider to complete or comply with the provisions of this MA.

8.25.4 This paragraph shall not, in any manner, restrict or limit the County's right to damages for any breach of this MA provided by law or as specified in the PRS or paragraph 8.25.2, and shall not, in any manner, restrict or limit the County's right to terminate this MA as agreed to herein.

8.26 Most Favored Public Entity

If the Provider's prices decline, or should the Provider at any time during the term of this MA provide the same goods or services under similar quantity and delivery conditions to the State of California or any county, municipality, or district of the State at prices below those set forth in this MA, then such lower prices shall be immediately extended to the County.

8.27 Nondiscrimination and Affirmative Action

8.27.1 Provider certifies and agrees that all persons employed by it, its affiliates, subsidiaries, or holding companies are and shall be treated equally without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations.

8.27.2 Provider shall certify to, and comply with, the provisions of Exhibit F (EEO Certification).

8.27.3 Provider shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, in compliance with all applicable Federal and State anti-discrimination laws and regulations. Such action shall include, but is not limited to: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

8.27.4 Provider certifies and agrees that it will deal with its bidders, or vendors without regard to or because of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation.

8.27.5 Provider certifies and agrees that it, its affiliates, subsidiaries, or holding companies shall comply with all applicable Federal and State laws and regulations to the end that no person shall, on the grounds of race, color, religion, ancestry, national origin, sex, age, physical or mental disability, marital status, or political affiliation, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this MA or under any project, program, or activity supported by this MA.

8.27.6 Provider shall allow County representatives access to the Provider's employment records during regular business hours to verify compliance with the provisions of this paragraph when so requested by the County.

8.27.7 If the County finds that any provisions of this paragraph have been violated, such violation shall constitute a material breach of this MA upon which the County may terminate or suspend this MA. While the County reserves the right to determine

independently that the anti-discrimination provisions of this MA have been violated, in addition, a determination by the California Fair Employment and Housing Commission or the Federal Equal Employment Opportunity Commission that the Provider has violated Federal or State anti-discrimination laws or regulations shall constitute a finding by the County that the Provider has violated the anti-discrimination provisions of this MA.

8.27.8 The parties agree that in the event the Provider violates any of the anti-discrimination provisions of this MA, the County shall, at its sole option, be entitled to the sum of Five Hundred Dollars (\$500) for each such violation pursuant to California Civil Code Section 1671 as liquidated damages in lieu of terminating or suspending this MA.

8.28 Non Exclusivity

Nothing herein is intended nor shall be construed as creating any exclusive arrangement with Provider. This MA shall not restrict the Department from acquiring similar, equal or like goods and/or services from other entities or sources.

8.29 Notice of Delays

Except as otherwise provided under this MA, when either party has knowledge that any actual or potential situation is delaying or threatens to delay the timely performance of this MA, that party shall, within one (1) business day, give notice thereof, including all relevant information with respect thereto, to the other party.

8.30 Notice of Disputes

The Provider shall bring to the attention of the County Project Manager and/or County Project Director any dispute between the County and the Provider regarding the performance of services as stated in this MA. If the County Project Manager or County Project Director is not able to resolve the dispute, the Department Head or designee shall resolve it.

8.31 Notice to Employees Regarding the Federal Earned Income Credit

Provider shall notify its employees, that they may be eligible for the Federal Earned Income Credit under the federal income tax laws. Such notice shall be provided in accordance with the requirements set forth in Internal Revenue Service Notice No. 1015.

8.32 Notice to Employees Regarding the Safely Surrendered Baby Law

Provider shall notify and provide to its employees, information regarding the Safely Surrendered Baby Law, its implementation in Los Angeles County, and where and how to safely surrender a baby. The information is set forth in Exhibit H (Safely Surrendered Baby Law) of this MA. Additional information is available at www.babysafela.org.

8.33 Notices

All notices or demands required or permitted to be given or made under this MA shall be in writing and shall be hand delivered with signed receipt or mailed by first class registered or certified mail, postage prepaid, addressed to the parties as identified in Exhibit C (County's Administration) and Exhibit D (Provider's Administration). Addresses may be changed by either party giving ten (10) days' prior written notice thereof to the other party. The Department Head or designee shall have the authority to issue all notices or demands required or permitted by the County under this MA.

8.34 Prohibition against Inducement or Persuasion

Notwithstanding the above, the Provider and the County agree that, during the term of this MA and for a period of one year thereafter, neither party shall in any way intentionally induce or persuade any employee of one party to become an employee or agent of the other party. No bar exists against any hiring action initiated through a public announcement.

8.35 Public Records Act

8.35.1 Any documents submitted by Provider; all information obtained in connection with the County's right to audit and inspect Provider's documents, books, and accounting records pursuant to paragraph 8.37 (Record Retention and Inspection/Audit Settlement) of this MA; as well as those documents which were required to be submitted in response to the Request for Statement of Qualifications (RFSQ) used in the solicitation process for this MA, become the exclusive property of the County. All such documents become a matter of public record and shall be regarded as public records. Exceptions will be those elements in the California Government Code Section 6250 et seq. (Public Records Act) and which are marked "trade secret", "confidential", or "proprietary". The County shall not in any way be liable or responsible for the disclosure of any such records including, without limitation, those so marked, if disclosure is required by law, or by an order issued by a court of competent jurisdiction.

8.35.2 In the event the County is required to defend an action on a Public Records Act request for any of the aforementioned documents, information, books, records, and/or contents of an SOQ marked "trade secret", "confidential", or "proprietary", the Provider agrees to defend and indemnify the County from all costs and expenses, including reasonable attorney's fees, in action or liability arising under the Public Records Act.

8.36 Publicity

8.36.1 Provider shall not disclose any details in connection with this MA to any person or entity except as may be otherwise provided hereunder or required by law. However, in recognizing the Provider's need to identify its services and related clients to sustain itself, the County shall not inhibit the Provider from publishing its role under this MA within the following conditions:

8.36.1.1 Provider shall develop all publicity material in a professional manner; and

8.36.1.2 During the term of this MA, Provider shall not, and shall not authorize another to, publish or disseminate any commercial advertisements, press releases, feature articles, or other materials using the name of the County without the prior written consent of the County's Project Director. The County shall not unreasonably withhold written consent.

8.36.2 Provider may, without the prior written consent of County, indicate in its proposals and sales materials that it has been awarded this MA with the County of Los Angeles, provided that the requirements of this paragraph shall apply.

8.37 Record Retention and Inspection/Audit Settlement

Provider shall maintain accurate and complete financial records of its activities and operations relating to this MA in accordance with generally accepted accounting principles. Provider shall also

maintain accurate and complete employment and other records relating to its performance of this MA. Provider agrees that the County, or its authorized representatives, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, activity, or record relating to this MA. All such material, including, but not limited to, all financial records, bank statements, cancelled checks or other proof of payment, timecards, sign-in/sign-out sheets and other time and employment records, and proprietary data and information, shall be kept and maintained by the Provider and shall be made available to the County during the term of this MA and for a period of five (5) years thereafter unless the County's written permission is given to dispose of any such material prior to such time. All such material shall be maintained by the Provider at a location in Los Angeles County, provided that if any such material is located outside Los Angeles County, then, at the County's option, the Provider shall pay the County for travel, per diem, and other costs incurred by the County to examine, audit, excerpt, copy, or transcribe such material at such other location.

8.37.1 In the event that an audit of the Provider is conducted specifically regarding this MA by any Federal or State auditor, or by any auditor or accountant employed by the Provider or otherwise, then the Provider shall file a copy of such audit report with the County's Auditor Controller within thirty (30) days of the Provider's receipt thereof, unless otherwise provided by applicable Federal or State law or under this MA. The County shall make a reasonable effort to maintain the confidentiality of such audit report(s).

8.37.2 Failure on the part of the Provider to comply with any of the provisions of this paragraph shall constitute a material breach of this MA upon which the County may terminate or suspend this MA.

8.37.3 If, at any time during the term of this MA or within five (5) years after the expiration or termination of this MA, representatives of the County may conduct an audit of the Provider regarding the work performed under this MA, and if such audit finds that the County's dollar liability for any such work is less than payments made by the County to the Provider, then the difference shall be either: a) repaid by the Provider to the County by cash payment upon demand or b) at the sole option of the County's Auditor-Controller, deducted from any amounts due to the Provider from the County, whether under this MA or otherwise. If such audit finds that the County's dollar liability for such work is more than the payments made by the County to the Provider, then the difference shall be paid to the Provider by the County by cash payment, provided that in no event shall the County's maximum obligation for this MA exceed the funds appropriated by the County for the purpose of this MA.

8.38 Recycled Bond Paper

Consistent with the Board of Supervisors' policy to reduce the amount of solid waste deposited at the County landfills, Provider agrees to use recycled-content paper to the maximum extent possible on this MA.

8.39 Subcontracting

Subcontracting is strictly prohibited under this MA.

8.40 Termination for Breach of Warranty to Maintain Compliance with County's Child Support Compliance Program

Failure of Provider to maintain compliance with the requirements set forth in paragraph 8.13 (Warranty of Adherence to County's Child Support Compliance Program), shall constitute a default under this MA. Without limiting the rights and remedies available to the County under any other provision of this MA, failure of Provider to cure such default within 90 calendar days of written notice shall be grounds upon which the County may terminate this MA pursuant to paragraph 8.42 (Termination for Default) and pursue debarment of Provider, pursuant to County Code Chapter 2.202.

8.41 Termination for Convenience

8.41.1 County may terminate this MA, in whole or in part, from time to time or permanently, when such action is deemed by the County, in its sole discretion, to be in its best interest. Termination of work hereunder shall be effected by notice of termination to Provider specifying the extent to which performance of work is terminated and the date upon which such termination becomes effective. The date upon which such termination becomes effective shall be no less than ten (10) days after the notice is sent.

8.41.2 Upon receipt of a notice of termination and except as otherwise directed by the County, the Provider shall immediately:

8.41.2.1 Stop work under this MA, as identified in such notice;

8.41.2.2 Transfer title and deliver to County all completed work and work in process; and

8.41.2.3 Complete performance of such part of the work as shall not have been terminated by such notice.

8.41.3 All material including books, records, documents, or other evidence bearing on the costs and expenses of the Provider under this MA shall be maintained by the Provider in accordance with paragraph 8.37 (Record Retention and Inspection/Audit Settlement).

8.42 Termination for Default

8.42.1 The County may, by written notice to the Provider, terminate the whole or any part of this MA, if, in the judgment of County's Project Director:

8.42.1.1 Provider has materially breached this MA;

8.42.1.2 Provider fails to timely provide and/or satisfactorily perform any task, deliverable, service, or other work required either under this MA; or

8.42.1.3 Provider fails to demonstrate a high probability of timely fulfillment of performance requirements under this MA, or of any obligations of this MA and in either case, fails to demonstrate convincing progress toward a cure within five (5) working days (or such longer period as the County may authorize in writing) after receipt of written notice from the County specifying such failure.

8.42.2 In the event that the County terminates this MA in whole or in part as provided in paragraph 8.42.1, the County may procure, upon such terms and in such manner as the

County may deem appropriate, goods and services similar to those so terminated. Provider shall be liable to the County for any and all excess costs incurred by the County, as determined by the County, for such similar goods and services. Provider shall continue the performance of this MA to the extent not terminated under the provisions of this paragraph.

8.42.3 The Provider shall not be liable for any such excess costs of the type identified in paragraph 8.42.2 if its failure to perform this MA, arises out of causes beyond the control and without the fault or negligence of the Provider. Such causes may include, but are not limited to: acts of God or of the public enemy, acts of the County in either its sovereign or contractual capacity, acts of Federal or State governments in their sovereign capacities, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Provider.

8.42.4 If, after the County has given notice of termination under the provisions of this paragraph, it is determined by the County that the Provider was not in default under the provisions of this paragraph, or that the default was excusable under the provisions of paragraph 8.42.3, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to paragraph 8.41 (Termination for Convenience).

8.42.5 The rights and remedies of the County provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this MA.

8.43 Termination for Improper Consideration

8.43.1 The County may, by written notice to the Provider, immediately terminate the right of the Provider to proceed under this MA if it is found that consideration, in any form, was offered or given by the Provider, either directly or through an intermediary, to any County officer, employee, or agent with the intent of securing this MA or securing favorable treatment with respect to the award, amendment, or extension of this MA or the making of any determinations with respect to the Provider's performance pursuant to this MA. In the event of such termination, the County shall be entitled to pursue the same remedies against the Provider as it could pursue in the event of default by the Provider.

8.43.2 The Provider shall immediately report any attempt by a County officer or employee to solicit such improper consideration. The report shall be made either to the County manager charged with the supervision of the employee or to the County Auditor-Controller's Employee Fraud Hotline at (800) 544-6861.

8.43.3 Among other items, such improper consideration may take the form of cash, discounts, services, the provision of travel or entertainment, or tangible gifts.

8.44 Termination for Insolvency

8.44.1 The County may terminate this MA forthwith in the event of the occurrence of any of the following:

8.44.1.1 Insolvency of the Provider. The Provider shall be deemed to be insolvent if it has ceased to pay its debts for at least sixty (60) days in the ordinary

course of business or cannot pay its debts as they become due, whether or not a petition has been filed under the Federal Bankruptcy Code and whether or not the Provider is insolvent within the meaning of the Federal Bankruptcy Code;

8.44.1.2 The filing of a voluntary or involuntary petition regarding the Provider under the Federal Bankruptcy Code;

8.44.1.3 The appointment of a Receiver or Trustee for the Provider; or

8.44.1.4 The execution by the Provider of a general assignment for the benefit of creditors.

8.44.2 The rights and remedies of the County provided in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this MA.

8.45 Termination for Non-Adherence of County Lobbyist Ordinance

Provider, and each County Lobbyist or County Lobbying firm as defined in County Code Section 2.160.010 retained by the Provider, shall fully comply with the County's Lobbyist Ordinance, County Code Chapter 2.160. Failure on the part of the Provider or any County Lobbyist or County Lobbying firm retained by the Provider to fully comply with the County's Lobbyist Ordinance shall constitute a material breach of this MA, upon which the County may in its sole discretion, immediately terminate or suspend this MA.

8.46 Termination for Non Appropriation of Funds

Notwithstanding any other provision of this MA, the County shall not be obligated for the Provider's performance hereunder or by any provision of this MA during any of the County's future fiscal years unless and until the County's Board of Supervisors appropriates funds for this MA in the County's Budget for each such future fiscal year. In the event that funds are not appropriated for this MA, then this MA shall terminate as of June 30 of the last fiscal year for which funds were appropriated. The County shall notify the Provider in writing of any such non-allocation of funds at the earliest possible date.

8.47 Validity

If any provision of this MA or the application thereof to any person or circumstance is held invalid, the remainder of this MA and the application of such provision to other persons or circumstances shall not be affected thereby.

8.48 Waiver

No waiver by the County of any breach of any provision of this MA shall constitute a waiver of any other breach or of such provision. Failure of the County to enforce at any time, or from time to time, any provision of this MA shall not be construed as a waiver thereof. The rights and remedies set forth in this paragraph shall not be exclusive and are in addition to any other rights and remedies provided by law or under this MA.

8.49 Warranty against Contingent Fees

8.49.1 Provider warrants that no person or selling agency has been employed or retained to solicit or secure this MA upon any agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide

established commercial or selling agencies maintained by the Provider for the purpose of securing business.

8.49.2 For breach of this warranty, the County shall have the right to terminate this MA and, at its sole discretion, assess liquidated damages from Provider, or otherwise recover, the full amount of such commission, percentage, brokerage, or contingent fee.

8.50 Warranty of Compliance with County's Defaulted Property Tax Reduction Program

Provider acknowledges that County has established a goal of ensuring that all individuals and businesses that benefit financially from County through contract are current in paying their property tax obligations (secured and unsecured roll) in order to mitigate the economic burden otherwise imposed upon County and its taxpayers.

Unless Provider qualifies for an exemption or exclusion, Provider warrants and certifies that to the best of its knowledge it is now in compliance, and during the term of this MA will maintain compliance, with Los Angeles County Code Chapter 2.206.

8.51 Termination for Breach of Warranty to Maintain Compliance with County's Defaulted Property tax Reduction Program

Failure of Provider to maintain compliance with the requirements set forth in paragraph 8.50 (Warranty of Compliance with County's Defaulted Property Tax Reduction Program) shall constitute default under this MA. Without limiting the rights and remedies available to County under any other provision of this MA, failure of Provider to cure such default within ten (10) days of notice shall be grounds upon which County may terminate this MA and/or pursue debarment of Provider, pursuant to County Code Chapter 2.206.

8.52 Time off For Voting

Provider shall notify its employees, information regarding the time off for voting law (Elections Code Section 14000). Not less than ten (10) days before every statewide election, every Provider shall keep posted conspicuously at the place of work, if practicable, or elsewhere where it can be seen as employees come or go to their place of work, a notice setting forth the provisions of Section 14000.

8.53 Compliance with County's Zero Tolerance Policy on Human Trafficking

Provider acknowledges that the County has established a Zero Tolerance Policy on Human Trafficking prohibiting contractors from engaging in human trafficking.

If a Provider or member of Provider's staff is convicted of a human trafficking offense, the County shall require that the Provider or member of Provider's staff be removed immediately from performing services under the MA. County will not be under any obligation to disclose confidential information regarding the offenses other than those required by law.

Disqualification of any member of Provider's staff pursuant to this paragraph shall not relieve Provider of its obligation to complete all work in accordance with the terms and conditions of this MA.

9.0 UNIQUE TERMS AND CONDITIONS

9.1 Health Portability and Accountability Act of 1996 (HIPAA)

9.1.1 Provider expressly acknowledges and agrees that the provision of services under this Agreement does not require or permit access by Provider or any of its officers,

employees, or agents, to any patient medical records/patient information. Accordingly, Provider shall instruct its officers, employees, and agents that they are not to pursue, or gain access to, patient medical records/patient information for any reason whatsoever.

9.1.2 Notwithstanding the forgoing, the parties acknowledge that in the course of the provision of services hereunder, Provider or its officers, employees, and agents, may have inadvertent access to patient medical records/patient information. Provider understands and agrees that neither it nor its officers, employees, or agents, are to take advantage of such access for any purpose whatsoever.

9.1.3 Additionally, in the event of such inadvertent access, Provider and its officers, employees, and agents, shall maintain the confidentiality of any information obtained and shall notify Department Head that such access has been gained immediately, or upon the first reasonable opportunity to do so. In the event of any access, whether inadvertent or intentional, Provider shall indemnify, defend, and hold harmless County, its officers, employees, and agents, from and against any and all liability, including but not limited to, actions, claims, costs, demands, expenses, and fees (including attorney and expert witness fees) arising from or connected with Provider's or its officers', employees', or agents', access to patient medical records/patient information. Provider agrees to provide appropriate training to its employees regarding their obligations as described hereinabove.

9.2 Ownership of Materials, Software and Copyright

9.2.1 County shall be the sole owner of all right, title and interest, including copyright, in and to all software, plans, diagrams, facilities, and tools (hereafter "materials") which are originated or created through Provider's work pursuant to this MA. Provider, for valuable consideration herein provided, shall execute all documents necessary to assign and transfer to, and vest in the County all Provider's right, title and interest in and to such original materials, including any copyright, patent and trade secret rights which arise pursuant to Provider's work under this MA.

9.2.2 During the term of this MA and for five (5) years thereafter, Provider shall maintain and provide security for all Provider's working papers prepared under this MA. County shall have the right to inspect, copy and use at any time during and subsequent to the term of this MA, any and all such working papers and all information contained therein.

9.2.3 Any and all materials, software and tools which are developed or were originally acquired by Provider outside the scope of this MA, which Provider desires to use hereunder, and which Provider considers to be proprietary or confidential, must be specifically identified by Provider to County's Project Manager as proprietary or confidential, and shall be plainly and prominently marked by Provider as "Propriety" or "Confidential" on each appropriate page of any document containing such material.

9.2.4 County will use reasonable means to ensure that Provider's proprietary and/or confidential items are safeguarded and held in confidence. County agrees not to reproduce, distribute or disclose to non-County entities any such proprietary and/or confidential items without the prior written consent of Provider.

9.2.5 Notwithstanding any other provision of this MA, County will not be obligated to Provider in any way under paragraph 9.2.4 for any of Provider's proprietary and/or confidential items which are not plainly and prominently marked with restrictive legends as required by paragraph 9.2.3 or for any disclosure which County is required to make under any state or federal law or order of court.

9.2.6 All the rights and obligations of this paragraph shall survive the expiration or termination of this MA.

9.3 Patent, Copyright and Trade Secret Indemnification

9.3.1 Provider shall indemnify, hold harmless and defend County from and against any and all liability, damages, costs, and expenses, including, but not limited to, defense costs and attorneys' fees, for or by reason of any actual or alleged infringement of any third party's patent or copyright, or any actual or alleged unauthorized trade secret disclosure, arising from or related to the operation and utilization of Provider's work under this MA. County shall inform Provider as soon as practicable of any claim or action alleging such infringement or unauthorized disclosure, and shall support Provider's defense and settlement thereof.

9.3.2 In the event any equipment, part thereof, or software product becomes the subject of any complaint, claim, or proceeding alleging infringement or unauthorized disclosure, such that County's continued use of such item is formally restrained, enjoined, or subjected to a risk of damages, Provider, at its sole expense, and providing that County's continued use of the system is not materially impeded, shall either:

9.3.2.1 Procure for County all rights to continued use of the questioned equipment, part, or software product; or

9.3.2.2 Replace the questioned equipment, part, or software product with a non-questioned item; or

9.3.2.3 Modify the questioned equipment, part, or software so that it is free of claims.

9.3.3 Provider shall have no liability if the alleged infringement or unauthorized disclosure is based upon a use of the questioned product, either alone or in combination with other items not supplied by Provider, in a manner for which the questioned product was not designed nor intended.

9.4 Charitable Activities Compliance

The Supervision of Trustees and Fundraisers for Charitable Purposes Act regulates entities receiving or raising charitable contributions. The "Nonprofit Integrity Act of 2004" (SB 1262, Chapter 919) increased Charitable Purposes Act requirements. By requiring Provider to complete Exhibit I (Charitable Contributions Certification), the County seeks to ensure that all County contractors which receive or raise charitable contributions comply with California law in order to protect the County and its taxpayers. A contractor which receives or raises charitable contributions without complying with its obligations under California law commits a material breach subjecting it to either contract termination or debarment proceedings or both. (County Code Chapter 2.202)

**AUTHORIZATION OF MASTER AGREEMENT FOR
RESIDENTIAL PROPERTY ASSESSED CLEAN ENERGY (PACE)
PROGRAM PROVIDER**

IN WITNESS WHEREOF, the Board of Supervisors of the County of Los Angeles has caused this Master Agreement to be executed by the Department Head or designee and approved by County Counsel, and Provider has caused this Master Agreement to be executed in its behalf by its duly authorized officer, this [DD] day of [MONTH] 20[YY]

[PROVIDER]

COUNTY OF LOS ANGELES

By _____

By _____
Department Head

Printed _____ Name: _____

Title: _____

APPROVED AS TO FORM:

By Mary C. Wickham

County Counsel

By _____

Deputy County Counsel

Exhibit A

LACEP PROGRAM REPORT

Los Angeles County
Energy Program
(LACEP)



PROGRAM REPORT

(Last modified January 24, 2017)

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I. INTRODUCTION

The Los Angeles County Energy Program (“LACEP” or “Program”) is intended to help property owners make capital investments in distributed generation renewable energy sources and energy efficiency and water efficiency improvements, seismic strengthening improvements and electric vehicle charging infrastructure (collectively known as “Improvements”). The Program will provide a financing mechanism for the Improvements through an assessment contract (the “Assessment Contract”) between the County of Los Angeles (the “County”) and the property owner, pursuant to which the County will provide financing for the up-front cost of the Improvements to the property owner. The property owner will re-pay the cost of the Improvements, financing costs and other costs through contractual assessments levied against the property on the annual property tax bill. If the owner sells the subject property prior to full repayment of the assessment, the lien created by the Assessment Contract is eligible to remain on the subject property, with the repayment obligation transferred to the new property owner. The County intends to provide financing for the Program by issuing (or causing to be issued) bonds payable from contractual assessment revenues. Participation in the Program is completely voluntary and property taxes for non-participating property owners are unaffected by the Program.

This Program Report (as modified, the “Program Report”) is prepared pursuant to Section 5898.22 of Chapter 29 of the California Streets and Highways Code (as amended, “Chapter 29”) in connection the establishment of LACEP. It includes the following:

- 1) A map showing the boundaries of the Program, being the territory within which contractual assessments are proposed to be offered. See Appendix A attached hereto.
- 2) A draft Assessment Contract specifying the terms and conditions that would be applicable to the property owner and the County. See Appendix C attached hereto.
- 3) A statement of County policies concerning voluntary contractual assessments, including all of the following:
 - Identification of the types of facilities, distributed generation renewable energy sources, or energy or water efficiency improvements that may be financed through the use of contractual assessments.
 - Identification of one or more County officials authorized to enter into voluntary contractual assessments on behalf of the County.
 - A maximum aggregate dollar amount of voluntary contractual assessments.
 - A method for establishing priority order among the requests from property owners for financing through LACEP.
 - A brief description of criteria for determining the underwriting requirements, and safeguards that will be used to ensure that the total annual property tax and assessments on the property will not exceed five percent of the property’s market value, as determined at the time of approval of the property owner’s Assessment Contract.
- 4) A financing plan for raising capital.
- 5) A report on the results of consultations with the County Auditor-Controller concerning the additional fees, if any, that will be charged for incorporating the proposed voluntary contractual assessments into the general taxes of the County on real property, and a plan for financing the payment of those fees.

Background

Widespread implementation of distributed generation renewable energy sources and energy efficiency and water efficiency measures in existing buildings within the County will help the State of California (“State”) reach the greenhouse gas reduction goals set forth under State Assembly Bill 32 (“AB 32”) and help the County and participating cities achieve their own targeted reductions. Participating property

owners can help to achieve greenhouse gas reductions, reduce water and energy use, and save money by investing in these measures. In addition, the installation of electric vehicle charging infrastructure is an important measure that will help facilitate increased electric vehicle usage, which helps the County and participating cities address global climate change. The installation of seismic strengthening improvements will facilitate individual voluntary efforts to improve the seismic safety of homes and buildings, which will help the County and participating cities address various seismic safety needs of local residents.

Chapter 29 authorizes various public agencies, including counties and cities, to designate areas within which free and willing property owners can enter into contractual assessments to finance the installation of Improvements that are permanently fixed to residential, commercial, industrial, agriculture or other real property. LACEP is the voluntary contractual assessment program developed by the County pursuant to Chapter 29. Any contractual assessments originated under LACEP are levied only with the consent of free and willing owners of the property on which Improvements are to be made. The Program will provide financing for qualifying property owners within the County to install Improvements pursuant to the terms and conditions of the Assessment Contracts. Property owners will pay the contractual assessments levied against their property through annual installments included on their property tax bills. Each contractual assessment creates a lien that is tied directly to the subject property. Any unpaid contractual assessments at the time of sale or other disposition of the property are eligible to remain on the property, with the repayment obligation transferred to the subsequent owner.

Program Benefits

LACEP is intended to provide multiple benefits, including the potential for reduced utility bills for participating property owners. LACEP also offers a means of financing Improvements with a lower equity contribution than may be required in a conventional financing and establishes a loan obligation that is attached to the property and not to the individual borrower. The financing is intended to be competitive with conventional fixed-rate loans and provide for a streamlined financing and repayment process. All available State, utility or other energy efficiency, water efficiency or renewable energy rebates, incentives and all State and federal tax credits remain available to the property owner in connection with the Improvements (subject to applicable rules, restrictions, regulations and the current status of programs administered by other such entities), unless otherwise specified.

Incorporated cities may participate in LACEP without incurring the costs of forming separate programs. LACEP's geographical boundary is coterminous with the County's boundaries and includes, subject to each cities' approval of participation in LACEP, all 88 incorporated cities. Incorporated cities may join LACEP by adopting a resolution allowing property owners in their respective jurisdictions to apply for financing and implement Improvements under LACEP.

The Program seeks to mitigate long-term regional greenhouse gas production through the reduction of energy usage from traditional utility sources and help the County and participating cities satisfy the State's greenhouse gas reduction goals under AB 32. When it was signed into law in 2006, AB 32 established statewide goals for the reduction of greenhouse gas emissions and may yet require counties and cities to adopt regional greenhouse gas emission limits similar to the statewide target of achieving 1990 levels of greenhouse gas emissions by 2020. To the extent permitted by law, the County will hold and retain any carbon credits, offsets, carbon cap allocations, or other benefits attributable to the Improvements financed by LACEP. It is the intention of the County to apply any benefits resulting from such carbon credits to the furtherance of LACEP. The Program also seeks to provide financing for eligible seismic strengthening improvements to address the seismic safety needs of local residents.

LACEP has the potential to provide a significant industry shift in the region towards an energy efficiency, water efficiency and renewable energy economy. LACEP intends to be a catalyst in spurring a new "green" economy in the County by supporting energy project inspection and installation jobs, job training and workforce development, local manufacturing and distribution, research and development, and marketing and outreach.

Program Administration

The Program will be governed by the Board of Supervisors of the County of Los Angeles (the “Board of Supervisors”), which will approve the Program parameters, approve the issuance of bonds, and delegate authority to authorized officers to administer the Program.

The Director of the County’s Internal Services Department will serve as the Program Administrator and will provide day-to-day management of the Program, including design, implementation, and administration. The authority to approve and enter into individual Assessment Contracts will be delegated by the Board of Supervisors to the Program Administrator. The Program Administrator is authorized to contract with external third-party administrators, subject to approval by the Board of Supervisors, to manage various aspects of the Program on behalf of the County.

The Internal Services Department and the Program Administrator will manage all Program activities, including, but not limited to, the following:

- Marketing and community outreach;
- Energy surveys and technical support for individual projects;
- Customer service, including question and answer support to interested Program participants;
- Assisting in project development;
- Processing Program applications;
- Managing and tracking funds available for financing Improvements;
- Managing and tracking progress of the Improvements and financing therefor;
- Tracking individual and collective energy and greenhouse gas benefits;
- Integrating LACEP with other County, State, utility and regional rebate/incentive programs;
- Working and coordinating with participating cities and other jurisdictions;
- Providing information on local and regional environmental programs; and
- Reporting progress and expenditures according to mandated reporting methods applicable to appropriated funds.

Program Duration

Unless otherwise directed by the Board of Supervisors, the Program will continue as long as there is sufficient demand and funding for the Improvements.

II. PROGRAM REQUIREMENTS

Geographic Parameters and Participating City Requirements

LACEP is available in the unincorporated areas of the County immediately upon establishment of the Program by the Board of Supervisors. Cities within the County may join LACEP and make assessment financing available to qualified property owners located within their city’s boundaries. After establishment of the Program, a city’s legislative body may adopt a resolution requesting inclusion in the County Program. Pursuant to such resolution to participate in the Program, the city will find and declare that the properties in the city’s incorporated area will benefit from participation. Further, the city’s resolution will authorize the County to set the terms of LACEP, implement the Program, and take action necessary to provide financing for the Improvements.

Participation in LACEP offers cities and their property owners the following advantages:

- An opportunity to save money through energy and water efficiency improvements;
- The ability to take advantage of substantial financial incentives and rebates from multiple sources;

- A financing mechanism that establishes an obligation that remains attached to the property; and
- Job creation and stimulation of the economy.

Cities may elect to withdraw from participation in LACEP by adopting a resolution terminating their involvement. If a participating city elects to withdraw from LACEP, no future assessment financing will be made in that city. Assessment Contracts executed prior to a city terminating participation in the Program will remain in full force and effect. A map showing the Proposed Program boundaries is attached in Appendix A.

Eligible Owners and Properties

All owners of improved real property located within participating cities or the unincorporated areas of the County areas are eligible to submit an application for LACEP. Qualified property owners may include individuals, associations, business entities, cooperatives and any owner who pays real property taxes. In addition, the owner of a leasehold or possessory interest in property may qualify for the Program if such leasehold or possessory interest is granted by a public agency that owns the related property, including property held in trust for any beneficiary; provided that the Assessment Contract is by and between the County and the owner of the leasehold or possessory interest, the public agency owning the property provides prior written consent to the contractual assessment, and at the time the Assessment Contract is executed, the term of the leasehold interest is at least as long as the term of the Assessment Contract.

To protect the Program from defaults and to improve access to the capital markets, owners of the real property or leasehold or possessory interest as described herein (collectively, the “property”) must meet the following minimum requirements to qualify for financing:

- Property is located within the unincorporated areas of the County, or within the boundaries of a city that has adopted a resolution to join the Program.
- Applicant is the legal owner of the property.
- All legal owners of the property agree to participate in the Program.
- The property is not subject to involuntary liens as set forth in the Assessment Contract or any other Program document.
- Property taxes and assessments are current on the property and have not been delinquent for a period up to five years (or since the date of the most recent transfer if less than five years).
- Property owner certifies that he/she is not in bankruptcy and the property is not an asset in a bankruptcy proceeding.
- Property owner certifies that he/she has not declared bankruptcy within the last 10 years.
- Property owner certifies and demonstrates that he/she is current on his/her mortgage, has not defaulted on the deed(s) of trust and can legally enter into the Program.
- Improvement costs are reasonable in relation to property value. Property must meet a minimum value-to-lien ratio¹.
- Property must meet a positive equity test and the total annual property tax and assessments on the property will not exceed five percent of the property’s market value, which will be acknowledged by the property owner as part of the application process and confirmed at the time of approval of the owner’s contractual assessment by the Program Administrator or a third-party administrator acting on behalf of the County. The market value of the property will be determined by using various industry approved methodologies, including multiple objective valuation models, national real estate valuation providers and geographic home sales data. Prior to approval of the contractual assessment, the Program Administrator or a third-party administrator acting on behalf of the County will determine the maximum allowable contractual assessment in accordance with Program underwriting requirements and State law.
- Property is subject to the appropriate jurisdiction’s (County, city, or town) permitting and inspections and all other applicable federal, State, and local codes and regulations.

¹ Value of the property divided by the amount of the contractual assessment.

Property owners may submit more than one application for funding under the Program if additional Improvements are desired by the owner. However, all existing criteria must be met at the time of each new application. Costs for the scope of work will be based on contractor estimates, quotes provided by the property owner, and general industry standards. Additional due diligence or underwriting criteria may be required for the financing of large projects.

The Program Administrator may exercise discretion in determining eligibility and any additional criteria required for financing Improvements. Furthermore, the minimum eligibility requirements provided in this Program Report are subject to change pursuant to the future financing needs of the Program.

Eligible Improvements

The Program provides property owners the opportunity to take advantage of a wide range of Improvements, subject to the following provisions:

- The Program will only finance (i) distributed generation renewable energy sources and energy efficiency and water efficiency measures that are permanently fixed to residential, commercial, industrial, agricultural, or other real property, (ii) seismic strengthening improvements that are permanently fixed to the property, including, but not limited to, the seismic strengthening of cripple walls and sill plate anchorage of light, wood-framed buildings, and (iii) electric vehicle charging infrastructure that is permanently fixed to residential, commercial, industrial, agricultural, or other real property. For the purpose of financing the installation of distributed generation renewable energy sources, “permanently fixed” includes, but is not limited to, systems attached to a residential, commercial, industrial, agricultural, or other real property pursuant to a power purchase agreement or lease between the owner of the system and the owner of the assessed property, if the power purchase agreement or lease contains all provisions required by Section 5899.2 of Chapter 29.
- Property owners who elect to engage in broader retrofit projects (such as residential or nonresidential remodeling) will only be provided financing for costs associated with Improvements available under the Program.
- The Program is intended to finance the replacement of working, inefficient equipment and building materials and the installation of new equipment and building materials that reduce energy consumption (beyond that required by existing, applicable building codes), produce renewable energy, reduce water usage, improve seismic safety or increase electric vehicle usage. The Program will also make financing available for purchasers of residential, commercial or industrial, agricultural or other properties who wish to add Improvements after transfer of title is complete.
- Property owners are responsible for the Improvements installed on their property. Property owners must address performance and other system-related issues directly with the installer in accordance with the terms of their contract with the installer. Property owners are responsible for maintenance and repair of the Improvements.

Examples of Improvements available for financing under LACEP are provided in Appendix B.

Eligible Costs

Eligible costs of the Improvements include the cost of surveys and audits, permits² and inspections, equipment, installation from licensed, approved professionals, and follow-up inspections. Installation costs may include, but are not limited to, energy audit consultations, labor, design, drafting, engineering, permit fees, and inspection charges. A qualified contractor of the property owner’s choice can be selected to complete installation of the Improvements.

² All Improvements that require permits will be required to obtain such a permit from the local jurisdiction. Final inspection will ensure that the Improvements were completed.

For each property, the Program Administrator will determine whether the estimated equipment and installation costs are reasonable. The Program Administrator will evaluate market conditions and may require the property owner to provide additional bids to determine whether costs are reasonable. While the property owner will be able to choose the contractor of his/her choice, the amount eligible for the LACEP financing may be limited to the amount deemed reasonable by the Program Administrator. Projects that exceed a certain size and dollar amount may be subject to additional review.

III. PROGRAM FINANCING

Strategy to Raise Capital

The County intends to raise capital for the Program through one or more of the following financing arrangements:

- Issuing or causing the issuance of bonds pursuant to Section 5898.28 of the Streets and Highways Code, the principal and interest of which will be repaid from contractual assessments;
- Advancement of certain County funds or funds held by the County Treasurer and Tax Collector, which will be repaid through contractual assessments or reimbursed from proceeds of a debt issuance;
- Application of funds received pursuant to federal and State programs and available for LACEP financing purposes;
- Issuing debt or entering into loan arrangements to fund the Improvements; and
- Private or owner-arranged financing.

To the extent that the County issues debt, it is expected to include a debt service reserve fund in the amount sufficient to enhance the marketability of the debt. The proceeds of the debt issuance will be applied to cover the costs of Improvements, fund the debt service reserve fund, and pay costs of issuance of the debt. The County may also pursue other financing options not listed above should such options benefit the ongoing viability of the Program.

The Energy Fund

The County will create a special fund, the Energy Fund ("Fund"), which will hold contractual assessments revenues received pursuant to the Assessment Contracts. Moneys in the Fund shall be used to make payments on debt issued by or on behalf of the County, fund certain administrative costs of the Program, replenish the debt service reserve fund, if required, and repay funds advanced by the County. Amounts in the Fund may also be used to finance additional Improvements secured by contractual assessments and any other reasonable activity needed to advance the Program. Payment of the contractual assessments will be made pursuant to Assessment Contracts between the property owner and the County.

Maximum Aggregate Contractual Assessment

The Program Administrator is authorized by the Board of Supervisors to enter into up to \$2.0 billion in aggregate dollar amount of voluntary contractual assessments and to issue bonds in a maximum aggregate principal amount equal to the aggregate dollar amount of the contractual assessments. The County will coordinate the timing and issuance of debt with the goal of providing the lowest possible interest rate to qualifying property owners and maintaining the long-term financial viability of the Program.

Administrative Costs/Application Fee

The County will offer the Program as an additional County service that will help property owners achieve reductions on their energy bills and other environmental goals, while helping the County achieve its own environmental goals. The County will be responsible for:

- Development and operation of LACEP;

- Acquisition of LACEP financing;
- Overall reporting of Program status and goals, including reports to financing agencies, regulators, and stakeholders;
- Overall structure and enforcement of Program governance; and
- Management and administration of LACEP consultants needed to perform services under the Program.

Certain administrative costs are anticipated in connection with the aforementioned responsibilities. All or a portion of such administrative costs may be financed through the interest component of the contractual assessment. The Program may also assign direct fees or charges to property owners for certain services provided during the process of securing an Assessment Contract. The County will recover a portion of these initial administrative costs through a one-time application fee.

Maximum Disbursement Amounts

The County will set a maximum disbursement amount for individual properties under the Assessment Contract. Where possible, the actual amount disbursed to a participating property owner pursuant to an Assessment Contract will equal the actual cost of Improvements. In the event that the final cost of Improvements exceeds the agreed upon maximum disbursement amount, the property owner will be solely responsible for the payment of excess costs incurred to complete the Improvements.

Single and Multiple Disbursements

Most disbursements will be delivered to property owners in a single payment upon completion of the Improvements. However, upon Program Administrator approval, some projects may qualify for multiple disbursements, which will allow for one or more payments to be made prior to project completion.

Assessment Interest Rate

The County will set a maximum interest rate for individual properties under the Assessment Contract. The final interest rate will be determined such that the total amount of contractual assessment payments (principal and interest) will be sufficient to repay the debt issued to finance the Improvements, pay the financing costs of such debt issuance, finance a debt service reserve fund with respect to such debt and fund eligible administrative costs to ensure the Program remains financially viable. The County Treasurer and Tax Collector, in conjunction with the Program Administrator, will determine individual contractual assessment interest rates. Under no circumstances will the interest rate exceed the maximum rate allowed by law.

Annual Administrative Assessment; Consultation with County Auditor-Controller

LACEP reserves the right to charge an Annual Administrative Assessment to cover costs incurred by the County for the ordinary and necessary costs of administering the levy and collection of the contractual assessments and all other administrative costs and incidental expenses related to the debt to be issued. Separate from any application fee or administrative cost recovered through amounts paid on the contractual assessment interest rate, the Annual Administrative Assessment will be collected in the same manner as the contractual assessment and may be adjusted annually to reflect changes in costs. The County Auditor-Controller has been consulted regarding any fees resulting from the incorporation of the contractual assessments into the general taxes of the County on real property, and the County has determined that any such fees shall be collected pursuant to the Annual Administrative Assessment.

Assessment Term

The term of the contractual assessments will be no greater than the expected useful life of the Improvements for each individual Assessment Contract. In no event will the term of any contractual

assessment exceed the maximum term allowed by law. The term of each contractual assessment will be set under the Assessment Contract.

Assessment Collection and Default

The contractual assessments will be collected in the same manner and at the same time as the general property taxes of the County. The contractual assessments are subject to the same penalties, remedies, and lien priorities in the event of delinquency and default. If any contractual assessment becomes delinquent and property taxes remain unpaid, the County shall have the right to initiate foreclosure proceedings on the subject property.

Rebates and Incentives

Financing through the Program may coincide with current and future distributed generation renewable energy, energy efficiency and water efficiency financial incentives available from utility providers as well as local, State, federal, and other agencies. The value of expected rebates and incentives will be factored into the financing available to the property owner. The Program will advise, and may require participants to apply for any and all applicable rebates and incentives available at the time of financing. References to rebates and financial incentives in this Program Report do not include income tax rebates.

Financing Process

The process for property owners to receive financing through LACEP is designed to be helpful, transparent, and straightforward. Presented below are the general procedures for the application, funding, and repayment process:

- **9Xi WUjcb.** Property owners may access a variety of resources to learn about the Program, the financing terms, and other details. These resources may include a Program website, service centers staffed to assist property owners, and information made available at community events.
- **5 dd JWjcb.** Property owners may apply for a funding reservation from LACEP and pay a non-refundable application fee. Applications must include a proposed project (scope of work) and a contractor bid.
- **FYj JYk UbX'5 ddfcj U** The Program Administrator will approve an application only after confirming that the applicant and proposed project satisfy the underwriting criteria and other Program requirements.
- **F YgYfj Ujcb'cZ: i bXg** Once the application is approved, the Program Administrator and the property owner will enter into the Assessment Contract. At this point in time, a maximum disbursement amount, loan term, and maximum interest rate will be set. The property owner will also agree to the terms and conditions of the Assessment Contract. The Program Administrator will provide assessment information to the County and an assessment lien will be filed with the County Registrar-Recorder.
- **hghU'Ujcb.** The property owner will receive a notice to proceed with the Improvements. A qualified installer must complete the installation of authorized Improvements on the property within the required timeframe after receiving the notice. In some cases, the Program Administrator in his/her sole discretion may grant a time extension.
- **9j JXYbW'cZ7 ca d'JUbW#8 JgVi fgYa YbhcZ: i bXg.** The County is not obligated to disburse funds unless and until each of the requirements set forth under the Assessment Contract are satisfied or waived by the Program Administrator. Upon satisfaction of the above, the Program Administrator will release funds to the property owner in the amount of the actual cost of Improvements, but not exceeding the maximum disbursement amount set forth in the

Assessment Contact. At this time, the Program Administrator will notify the property owner of the actual interest rate and amount of the contractual assessment.

- **FYdUna Ybh** After the release of funds, the County will place the contractual assessment on the property tax roll for the tax year immediately following the disbursement date. The property owner will be expected to pay the contractual assessment installments in the amounts and at the times specified in the Assessment Contract. Prepayment of the contractual assessment will be permitted, however, penalties may apply. Any applicable penalties resulting from prepayment will be set forth in the Assessment Contract.

Priority of Funding

Applications from property owners for financing will be given priority based on the date on which the application is approved. If a request from a property owner for financing would cause LACEP to exceed the maximum aggregate dollar amount of contractual assessments for the Program, then that application will be ineligible for financing. The Program Administrator shall retain the authority to grant exceptions to the priority status of individual applications.

Property Owner Financial Responsibilities

The following types of costs are examples of those that will be the responsibility of the property owner and will not be financed through the Program:

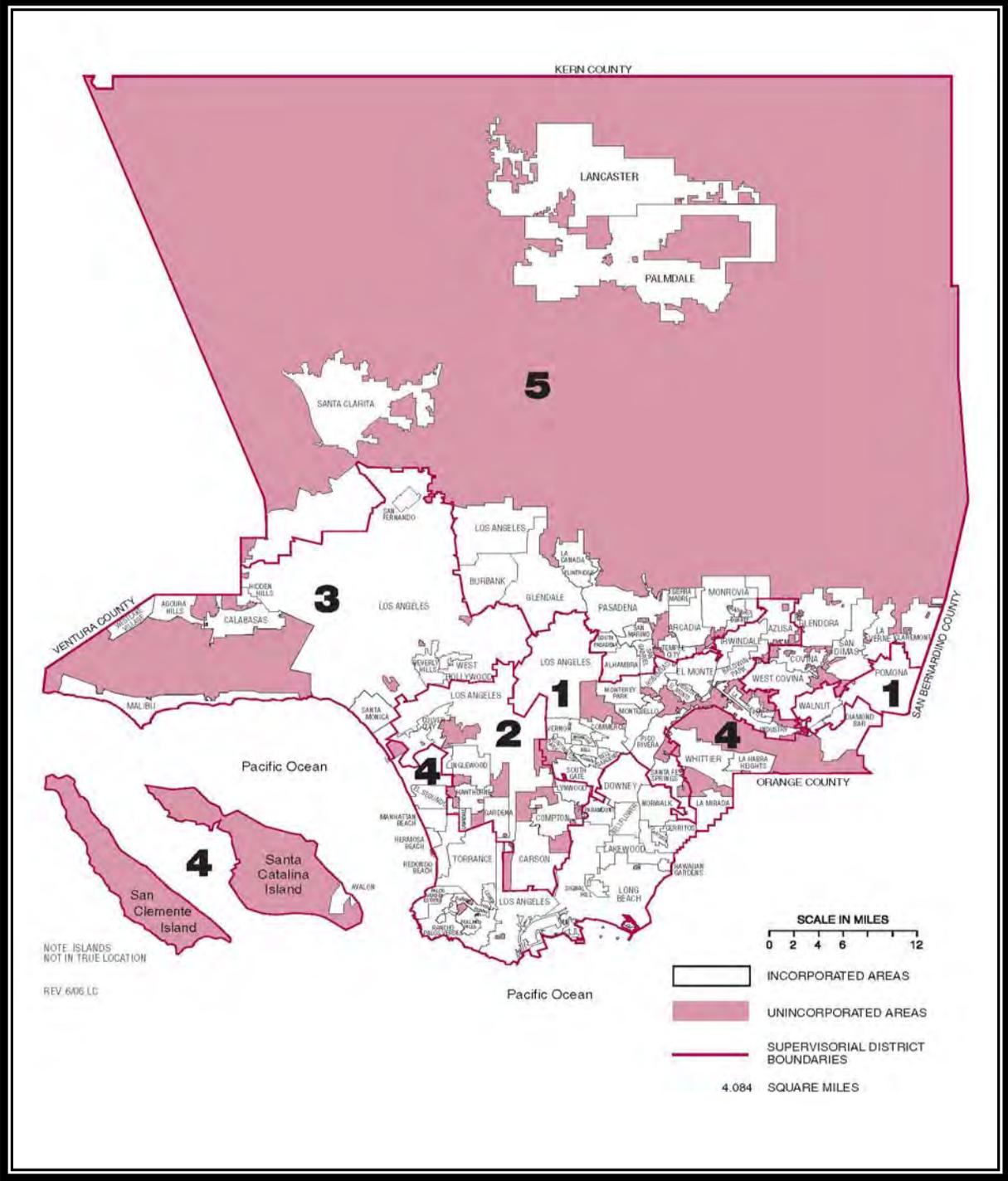
- Application fee;
- If applicable, title insurance and property insurance costs;
- Late payment fees;
- If applicable, costs associated with compliance with the California Environmental Quality Act; and
- Costs associated with repairs and maintenance of the Improvements.

IV. CHANGES TO THE PROGRAM REPORT

The Program Administrator may make changes to this Program Report that he/she reasonably determines are necessary to clarify its provisions. Any changes made to this Program Report that materially modify the LACEP shall only be made after approval by the Board of Supervisors.

The Program Administrator may modify the schedule of eligible Improvements attached as Appendix B and the draft Assessment Contract attached as Appendix C as deemed necessary or desirable to effectuate the intent of the Program.

Appendix A: Area Map



Appendix B: Eligible Improvements

Eligible improvements will include, but are not limited to, the following types of Improvements, subject to approval by the Program Administrator:

Energy Efficiency Improvements

- Air sealing
- Duct sealing and weather stripping
- Attic, duct, floor, roof and wall insulation
- Hot water system insulation
- Fans (Bathroom, ceiling, whole house)
- Energy efficient pool pumps
- HVAC systems
- Programmable thermostats and energy management systems
- Light fixtures
- Energy Star cool roof
- Radiant barriers
- Windows, doors, skylights
- Window film

Water Efficiency Improvements

- Hot water heater
- On-demand water recirculation control pump
- High-efficiency toilets and urinals
- Showerheads and aerators
- Smart irrigation/ Water efficient landscaping
- Rainwater harvesting system
- Grey water system

Distributed Generation Renewable Energy Improvements

- Solar hot water heating systems
- Solar thermal installation
- Solar space heating
- Photovoltaic systems
- Wind energy systems
- Fuel cell power systems

Seismic Strengthening Improvements

- Foundation bolting
- Cripple wall bracing

Electrical Vehicle Charging Infrastructure

- Electric Vehicle Supply Equipment
- Electrical panel upgrade to 240V service

Appendix C: Draft Assessment Contract

(See attached.)

LOS ANGELES COUNTY ENERGY PROGRAM

ASSESSMENT CONTRACT

This Assessment Contract (this “Contract”) is made and entered into as of this ____ day of _____, 20__, by and between the COUNTY OF LOS ANGELES, a political subdivision of the State of California (the “County”), and _____ and _____ (collectively, the “Owner”).

WHEREAS, the County has established the Los Angeles County Energy Program (“LACEP”) pursuant to Chapter 29 of Part 3 of Division 7 of the California Streets and Highways Code (the “Act”), in connection with which the County may levy assessments against developed properties in the County, with the free and willing consent of the owners of the properties, to finance the acquisition and construction on and installation in the assessed properties of certain qualifying renewable energy systems and energy and water efficiency improvements.

WHEREAS, the Owner is the fee title owner of certain property described in Exhibit A attached hereto (the “Property”) and located [in the City of [City]] within the County of Los Angeles.

WHEREAS, the Owner has reviewed the Program participant handbook (the “Participant Handbook”) and submitted an application to participate in LACEP (the “Application”; together with Participant Handbook and this Contract, the “Contract Documents”) to finance the acquisition, construction and installation of the improvements described in Exhibit B attached hereto (the “Improvements”) on the Property and the County has approved such Application.

WHEREAS, the County may fund LACEP through a number of financing mechanisms, including with proceeds of bonds to be issued by the County or a related joint exercise of power authority (the “Bonds”), with proceeds of loans derived from bonds issued by the Los Angeles County Public Works Financing Authority or another joint exercise of power authority (the “Authority”) and from amounts to be advanced through available funds of the County.

WHEREAS, the County wishes to provide for the terms and conditions pursuant to which the Owner will participate in LACEP and pay assessments to finance the Improvements hereunder.

NOW THEREFORE, in consideration of the mutual covenants contained herein and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. **Financing Terms**

(a) Disbursement Amount; Maximum Disbursement Amount. Subject to the conditions set forth herein, the County agrees to disburse moneys to the Owner in the amount of the actual cost of the Improvements (the “Disbursement Amount”); provided the Disbursement Amount shall not exceed the maximum amount set forth in Exhibit B hereto (the “Maximum

Disbursement”). LACEP Program Administrator (the “Program Administrator”) shall determine the Disbursement Amount on the basis of the best available written evidence of the actual cost of the Improvements and in the exercise of the Program Administrator’s reasonable judgment. The Owner agrees to complete the Improvements. The Owner agrees to pay for and shall be solely responsible for the payment of all costs to complete the Improvements described in the Application which exceed the Maximum Disbursement.

(b) Repayment by Owner.

(i) Assessment. In consideration of the disbursement of the Disbursement Amount, the Owner shall pay to the County an amount equal to the Disbursement Amount, certain financing costs, including any capitalized interest on the Bonds, any capitalized LACEP administrative expenses, and the interest accrued thereon. Such amounts shall be repaid by the Owner to the County by the payment of an aggregate assessment levied against the Property pursuant to Section 5898.30 of the Streets and Highway Code of the State of California (the “Assessment”) without deduction or offset for any amounts the Owner may claim due to it by the County, all as set forth in Exhibit B, as such repayment schedule may be adjusted in accordance with Section 1(b)(ii) and set forth in the form of Exhibit C hereto (the “Notice of Interest Rate and Payment Schedule”).

(ii) Interest on Assessment. Interest shall be payable in installments, computed on the basis of a 360-day year, and shall accrue on the unpaid Assessment from [the date of this contract¹][the date any portion of the Disbursement Amount is disbursed to the Owner] at the rate determined by the Program Administrator in his/her sole discretion at the time of disbursement or final disbursement, as applicable, of the Disbursement Amount. The maximum interest rate applicable to the unpaid Assessment and the interest installments therefor are set forth in Exhibit B hereto. The Program Administrator will give notice to the Owner of the interest rate applicable to the unpaid Assessment and the related interest installments as soon as practicable after its determination, which notice will be substantially in the form attached as Exhibit C hereto.

(iii) Annual Administrative Assessment. The Owner shall pay to the County, without deduction or offset, an annual assessment levied against the Property to pay costs incurred by the County in connection with the administration and collection of the Assessment, the administration or registration of any associated bonds, securities or other financing arrangements, and the administration of any reserve fund or other related funds (the “Annual Administrative Assessment”). The Annual Administrative Assessment shall not exceed the amount set forth in Exhibit B hereto and may be changed from time to time by the Program Administrator, in his sole discretion, subject to the maximum Annual Administrative Assessment.

(iv) Financing Costs in the Event of Noncompletion. If the Owner fails to install the Improvements in compliance with LACEP requirements following execution of this Assessment Contract, the Owner shall pay for all expenses incurred by the County

¹ In the case of a County financing with accrued interest.

or any of its agents in connection with levying or removing the assessments hereunder and financing the Improvements, including costs relating to the redemption of bonds issued to finance the Improvements, in the amount set forth in Exhibit B hereto.

(c) Prepayment. The Owner may prepay the Assessment in whole and in part by paying all or a part of the principal amount owing on the Assessment, plus the applicable prepayment premium set forth in Exhibit B hereto, and accrued interest. Interest on the Assessment may accrue until the next available redemption date for any bonds or other evidences of indebtedness, or other financial arrangements entered into by the County pursuant to LACEP which financed the Assessment in whole or in part. Such redemption date shall not exceed ___ (__) days from the date of prepayment of the Assessment. The Owner shall notify the Program Administrator in writing of the Owner's determination to prepay the Assessment at least ___ (__) business days prior to the date the Owner intends to prepay the Assessment.

(d) Term of Contract. The term of this Contract shall be as set forth in Exhibit B hereto, commencing upon the execution hereof and ending on the date the Assessment and any applicable penalties, costs, fees, and charges have been paid in full; provided, however, the estimated payment schedule may be adjusted as provided in this Section 1. The initial amount of each Assessment and Annual Administrative Assessment installment that will be levied is set forth in Exhibit B attached hereto. The amount of each Assessment and Annual Administrative Assessment installment that will be levied each year, as adjusted to reflect the applicable interest rate determined by the Program Administrator but excluding any penalties that may accrue, is set forth in Exhibit C attached hereto.

2. **Lien of Assessment and Annual Administrative Assessment; Special Benefit.**

(a) Lien Against Property. The execution of this Contract by the parties constitutes the levy of the Assessment and the Annual Administrative Assessment by the Board of Supervisors against the Property without any further action required by the parties. The Owner consents to the levy of the Assessment and the Annual Administrative Assessment, including each installment thereof and any interest and penalties that accrue with respect thereto, on and recordation of a lien against the Property and agrees that, upon the execution of this Contract by the parties, the Property shall be subject to the Assessment and the Annual Administrative Assessment in accordance with and pursuant to this Contract, the Act and applicable law.

(b) Notice of Assessment; Notice of Payment of Contractual Assessment Required. Upon execution of this Contract, the County will execute and cause to be recorded in the Office of the Registrar-Recorder/County Clerk a notice of assessment substantially in the form attached as Exhibit D hereto (the "Notice of Assessment") and a document entitled "Payment of Contractual Assessment Required" substantially in the form attached as Exhibit E hereto (the "Notice of Payment of Contractual Assessment Required"). Upon recordation of the Notice of Assessment in the Office of the Registrar-Recorder/County Clerk, the Assessment and the Annual Administrative Assessment, including each installment thereof and any interest and penalties that accrue with respect to the Assessment and the Annual Administrative Assessment, shall constitute a lien upon the Property until paid. The Notice of Assessment and Notice of Payment of Contractual Assessment Required, as recorded, shall initially reflect the Assessment as set forth in Exhibit B. Following the County's final disbursement of the Disbursement

Amount pursuant to Section 6 hereof, the Assessment shall equal the amount set forth in Exhibit C and the Notice of Assessment and Notice of Payment of Contractual Assessment Required will be supplemented accordingly.

(c) Priority of Lien. The lien of the Assessment and the Annual Administrative Assessment shall be coequal to and independent of the lien for general taxes and prior and superior to all liens, claims and encumbrances on or against the Property except (i) the lien for general taxes or ad valorem assessments in the nature of and collected as taxes levied by the State of California or any county, city, special district or other local agency, (ii) the lien of any special assessment or assessments the lien date of which is prior in time to the lien date of the Assessment and the Annual Administrative Assessment, (iii) easements constituting servitudes upon or burdens to the Property, (iv) water rights, the record title to which is held separately from the title to the Property and (v) restrictions of record.

(d) Special Benefit to Property.

(i) Acknowledgement. The Owner expressly acknowledges that the Improvements confer a special benefit to the Property in an amount at least equal to the Assessment.

(ii) Waiver of Provisions Other Than Those of the Act. The Owner expressly waives to the fullest extent permitted by law the notice, protest and hearing procedures and provisions of any applicable law other than the Act with respect to the levy and collection of the Assessment and the Annual Administrative Assessment, as described in Section 2 and Section 3, respectively, hereof.

3. Collection of Amounts Due; Failure to Pay.

(a) Collection through Property Tax Bill. Annual installments of the Assessment and the Annual Administrative Assessment shall be collected on the property tax bill pertaining to the Property. The annual proportion of the Assessment and the Annual Administrative Assessment coming due in any year shall be payable in the same manner, at the same time and in the same installments as the general taxes of the County on real property are payable, and the assessment installments shall be payable and become delinquent at the same times and the same proportionate amounts and shall bear the same penalties and interest after delinquency, and be subject to the same provisions for redemption and sale, as the general taxes on real property of the County.

(b) Failure to Pay. Failure to pay any installment of the Assessment and the Annual Administrative Assessment, including interest and penalties with respect thereto, shall result in the accrual of penalties and interest on the amounts due and may result in the foreclosure of the lien of the Assessment and the Annual Administrative Assessment, as described in Section 13(e) hereof and provided by law. Except as provided in Government Code Section 53936, the liens of the Assessment and the Annual Administrative Assessment are not subject to extinguishment by judicial foreclosure or the sale of the Property on account of the nonpayment of any taxes.

4. **Commencement and Completion of Improvements.**

(a) **Consent and Authorization.** Upon the availability of funding under LACEP, the Program Administrator will give to the Owner a notice to proceed in the form of Exhibit F hereto (the "Notice to Proceed"), which notice shall constitute consent and authorization pursuant to Section 5898.21 of the Act for the Owner to purchase directly the related equipment and materials for the Improvements and to contract directly for the construction on and/or installation in the Property of the Improvements. The Owner bears the risk of any costs of the Improvements incurred prior to receipt of the Notice to Proceed. The Owner may perform the construction and/or installation on the Property provided that the Owner is deemed a qualified installer by the Program Administrator in his/her sole discretion in accordance with the Participant Handbook.

(b) **Date of Completion of the Improvements.** Subject to Section 13(g) hereof, the Owner agrees to complete installation of the Improvements no later than one (1) year after the date of the Notice to Proceed of this Contract. The Owner and the Program Administrator may agree to an extension of this completion date for good cause shown. In the event the Improvements are not completed one year and three months after the date of the Notice to Proceed, any undisbursed amounts under this Contract shall be applied to the redemption of any related Bonds issued by the County to finance this Contract.

5. **Use of Proceeds.**

The Owner shall use the Disbursement Amount for the sole purpose of paying for the reasonable costs and expenses of the Improvements on the Property, and in connection therewith the Owner shall comply with all requirements set forth in the Contract Documents.

6. **Conditions Precedent to Disbursement of Funds**

(a) **Conditions Precedent to Disbursement of Funds.** Notwithstanding anything to the contrary contained herein, the County shall have no obligation to disburse funds to the Owner unless and until each of the requirements set forth in the Participant Handbook and the following conditions are satisfied, or any such requirement or condition is expressly waived by the Program Administrator:

(i) With respect to the initial disbursement:

(A) The Program Administrator shall have received a written request to disburse the Disbursement Amount.

(B) The Owner has executed and delivered to the Program Administrator the Contract Documents and such other declarations, certifications, documents or instruments pertaining to the Disbursement Amount or the Improvements as the Program Administrator may require.

(C) The Owner shall have executed any and all documents or instruments required by the Contract Documents in connection with the disbursement of funds to the Owner.

(D) If the Property is a commercial property, the Owner shall have provided all applicable lenders the Notice of Proposed Contractual Assessment set forth as Exhibit G to this Contract and received an executed copy of the Certificate of Lender set forth as Exhibit H to this contract. In addition, the Owner shall have received from the Program Administrator, at the expense of the Owner, a determination that the Improvements to be financed hereunder (a) are within one or more classes of projects exempt from the California Environmental Quality Act (commencing with Section 21000 et seq. of the California Public Resources Code, "CEQA") pursuant to Sections 15301, 15302 or 15303 of the California Public Resources Code, (b) are the appropriate subject of a negative declaration pursuant to CEQA, in which case a negative declaration to that effect will be adopted pursuant to Section 21080 et seq. of the California Public Resources Code and Section 15070 et seq. of the California Code of Regulations, or (c), is the appropriate subject of an environmental impact report pursuant to CEQA, in which case an environmental impact report shall be prepared and certified and amounts hereunder shall be disbursed only if the Improvements are subsequently approved in accordance with CEQA.

(ii) With respect to the second and final disbursement:

(A) The Program Administrator shall have received a copy of a finalized permit issued by the building inspection department of the jurisdiction within which the Property is located, if applicable.

(B) The Program Administrator shall have received a written certification from the Owner and the contractor(s) that installed or constructed the Improvements, if any, stating that the Improvements for which disbursement is requested is complete and setting forth the actual cost of the Improvements (exclusive of any cost attributable to labor performed by the Owner pursuant to the terms and conditions of this Contract and the other Contract Documents). Such certification shall be in form and substance acceptable to the Program Administrator.

(C) If an inspection is required, an inspection of the Improvements and a determination by the applicable agency, authority or entity that the Improvements have been completed in full compliance with the requirements of applicable law or that any noncompliance has been waived.

(D) No stop payment or mechanic's lien notices pertaining to the Improvements has been filed and remain in effect as of the date of disbursement of the Disbursement Amount.

(E) [If the Property is a commercial property, the Program Administrator shall have received a title insurance policy in form and substance acceptable to the Program Administrator in the Disbursement Amount and insuring the lien of the Assessment.]

(iii) With respect to each of disbursement:

(A) As of the date of disbursement of the Disbursement Amount the representations of the Owner contained in the Contract Documents are true and correct, and no Default (as defined in Section 13(a) below) shall have occurred and be continuing.

(B) The Program Administrator shall have received such other documents and instruments as the Program Administrator may require, including but not limited to, if applicable, the sworn statements of contractor(s) or the Owner, if construction and/or installation is performed by the Owner in his/her capacity as a qualified installer pursuant to the Contract Documents, and releases or waivers of lien, all in compliance with the requirements of applicable law.

(iv) If there shall be a single disbursement under this Assessment Contract, all conditions under (i) through (iii) shall be satisfied by the Owner or waived by the Program Administrator prior to disbursement.

(b) Disbursement by County. Upon satisfaction or waiver of the conditions described in paragraph (a), above, the County will disburse or cause the disbursement of funds to the Owner. The Owner expressly waives the 30-day payment period provided by Section 10403 of the Streets and Highways Code.

7. Representations and Warranties of the Owner.

For purposes of entering into this Contract, the County has relied upon the declarations, warranties and covenants of the Owner in this Contract and in the Application, which are incorporated into this Contract as if fully set forth herein. The Owner promises that each representation and warranty set forth herein is true, accurate and complete as of the date of this Contract. By accepting the disbursement, the Owner shall be deemed to have reaffirmed each and every representation and warranty made by the Owner in this Contract and in the Application as of the date of disbursement. If the Owner is comprised of the trustees of a trust, the following representations shall also pertain to the trustor(s) of the trust.

(a) Formation; Authority. If the Owner is anything other than a natural person, it has complied with all laws and regulations concerning its organization, its existence and the transaction of its business, and is in good standing in each State in which it conducts its business. The Owner is the owner of the Property and is authorized to execute, deliver and perform its obligations under the Contract Documents, and all other documents and instruments delivered by the Owner to the County in connection therewith. The Contract Documents have been duly executed and delivered by the Owner and are valid and binding upon and enforceable against the

Owner in accordance with their terms, subject to the effect of bankruptcy, insolvency and other similar laws affecting the rights and remedies of creditors generally, and no consent or approval of any third party, which has not been previously obtained by the Owner is required for the Owner's execution thereof or the performance of its obligations contained therein.

(b) Compliance with Law. Neither the Owner nor the Property is in violation of, and the terms and provisions of the Contract Documents do not conflict with, any regulation or ordinance, any order of any court or governmental entity, or any building restrictions or governmental requirements affecting the Owner or the Property.

(c) No Violation. The terms and provisions of the Contract Documents, the execution and delivery of the Contract Documents by the Owner, and the performance by the Owner of its obligations contained in the Contract, will not and do not conflict with or result in a breach of or a default under any of the terms or provisions of any other agreement, contract, covenant or security instrument by which the Owner or the Property is bound.

(d) Other Information. All reports, documents, instruments, information and forms of evidence which have been delivered to the County in connection with the Owner's application for LACEP funding are accurate, correct and sufficiently complete to give the County true and accurate knowledge of their subject matter.

(e) Litigation. There is no litigation, tax claims, actions, proceedings, investigations or other disputes pending or threatened against the Owner or the Property which may impair the Owner's ability to perform its obligations hereunder, or which may impair the County's ability to levy and collect the Assessment and the Annual Administrative Assessment.

(f) No Event of Default. There is no event which is, or with notice or lapse of time or both would be, a Default under this Contract.

8. Covenants of the Owner.

The Owner agrees and covenants to each of the following:

(a) Installation and Maintenance of Improvements. The Owner shall, or shall cause its contractor(s) to, promptly commence the Improvements and diligently continue to completion in a good and workmanlike manner and in accordance with sound construction and installation practices. The installation of the Improvements shall be completed no later than the date determined pursuant to Section 4(b) hereof. The Owner shall maintain the Improvements in good condition and repair.

(b) Reports. If the Disbursement Amount is disbursed in more than one installment, the Owner agrees, upon the request of the Program Administrator, to promptly deliver or cause to be promptly delivered to the Program Administrator a written status report of the Improvements, including the acquisition and installation thereof.

(c) Compliance with Law and Agreements. The Owner shall complete all Improvements, or cause the Improvements to be completed, in conformity with all applicable laws, including all applicable federal, state, and local occupation, safety and health laws, rules,

regulations, standards, and recorded instruments, covenants or agreements affecting the Property. The Owner shall comply with and keep in effect all permits, licenses, and approvals required to complete installation of the Improvements.

(d) Site Visits; Utility Records; Surveys. For purposes of examining the workmanship of the Improvements, observing the quality of the Improvements and otherwise evaluating LACEP, the Owner grants the County, its agents and representatives, including without limitation the Program Administrator, the right to enter and visit the Property at any reasonable time, after giving reasonable notice to the Owner. For purposes of examining savings derived from the Improvements and other satisfying the requirements relating to grant moneys used to fund LACEP, the Owner shall also allow the County to examine and copy records and other documents of the Owner which relate to the Improvements, including utility records of the Owner and execute any consents, waivers or similar documents required by utility providers in connection therewith through the term of this Contract. The Owner also agrees to participate in any and all surveys conducted in connection with LACEP. The County is under no duty to visit the Property, observe any aspects of the Improvements or examine any records, and the County shall not incur any obligation or liability by reason of not making any such visit or examination. Any site visit, observation or examination by the County shall be solely for the purposes of protecting the County's rights under the Contract Documents.

(e) Protection Against Lien Claims. The Owner shall promptly pay or otherwise discharge any claims and liens for labor done and materials and services furnished to the Property in connection with the Improvements. The Owner shall have the right to contest in good faith any claim or lien, provided that it does so diligently and without delay in completing the Improvements.

(f) Notice to Successors in Interest. The Owner agrees to provide written notice to any subsequent purchaser of the Property that the Property is subject to an LACEP assessment lien, and to provide any subsequent purchaser a copy of this Contract.

(g) Insurance. [If the Maximum Disbursement exceeds \$_____,] the Owner shall provide, maintain and keep in force at all times until the Improvements are completed, builder's all risk property damage insurance on the Property, with a policy limit equal to the amount of the Maximum Disbursement.

(h) Notices. The Owner shall promptly notify the County in writing of any Default under this Contract, or any event which, with notice or lapse of time or both, would constitute a Default hereunder.

9. **Mechanic's Lien and Stop Notices.**

In the event of the filing of a stop notice or the recording of a mechanic's lien pursuant to applicable law of the State of California and relating to the Improvements, the Program Administrator may refuse to disburse any funds to the Owner, and, in the event the Owner fails to furnish the Program Administrator a bond causing such notice or lien to be released within thirty (30) days of notice from the Program Administrator to do so, such failure shall at the

option of the County constitute a default under the terms of this Contract. The Owner shall promptly deliver to the Program Administrator copies of all such notices or liens.

10. **Responsibilities of the Owner; Indemnification.**

(a) **Financing by County; No Responsibility for Improvements.** The Owner acknowledges that the County has established LACEP solely for the purpose of assisting the owners of property in the County with the financing of the acquisition, construction, and installation of qualifying renewable energy systems and energy and water efficiency improvements. LACEP is a financing program only. None of the County, the Authority (if bonds are issued by the Authority), their officials, agents, employees, attorneys and representatives, the Program Administrator, or LACEP staff is responsible for selection, management or supervision of the Improvements or of the Improvements' performance.

(b) **Indemnification.** The Owner shall indemnify, defend, protect, and hold harmless the County, the Authority (if bonds are issued by the Authority) and any and all officials, agents, employees, attorneys and representatives of the County and the Authority (collectively, the "Indemnified Parties") and, if the Property is located in an incorporated area, such incorporated city and any and all officials, agents, employees, attorneys and representatives of such city, (the "City Parties"), from and against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorneys' fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with, (i) the Contract Documents, (ii) disbursement of the Disbursement Amount, (iii) the Improvements, (iv) any breach or Default by the Owner under the Contract Documents, (v) the levy and collection of the Assessment and the Annual Administrative Assessment, (vi) the imposition of the lien of the Assessment and the Annual Administrative Assessment, (vii) any breach or failure of the Owner or its contractor(s) or agents to comply with all applicable laws, including all applicable federal, state and local occupation, safety and health laws, rules, regulations and standards, in connection with the acquisition, installation or completion of the Improvements, and (viii) any other fact, circumstance or event related to the County's payment of the Disbursement Amount to the Owner or the Owner's performance of its obligations under the Contract Documents (collectively, the "Liabilities"), regardless of whether such Liabilities shall accrue or are discovered before or after the Disbursement.

(c) **Survival of Indemnification.** The indemnity obligations described in Section 10(b) shall survive the disbursement of funds to the Owner, the payment of the Assessment in full, the transfer or sale of the Property by the Owner and the termination of this Contract.

11. **Waiver of Claims.**

For and in consideration of the County's execution and delivery of this Contract, the Owner, for itself and for its successors-in-interest to the Property and for any one claiming by, through, or under the Owner, hereby waives the right to recover from and fully and irrevocably releases the Indemnified Parties and, if the Property is located in an incorporated area, the City Parties, from any and all claims, obligations, liabilities, causes of action, or damages, including attorneys' fees and court costs, that the Owner may now have or hereafter acquire against any of

the Indemnified Parties and the City Parties and accruing from or related to (i) the Contract Documents, (ii) the disbursement of any of the Disbursement Amount, including any amounts advanced hereunder, (iii) the levy and collection of the Assessment and the Annual Administrative Assessment, (iv) the imposition of the lien of the Assessment, (v) the issuance and sale of any bonds or other evidences of indebtedness, or other financial arrangements entered into by the County pursuant to LACEP, (vi) the performance of the Improvements, (vii) the Improvements, (viii) any damage to or diminution in value of the Property that may result from construction or installation of the Improvements, (ix) any personal injury or death that may result from the construction or installation of the Improvements, (x) the selection of manufacturer(s), dealer(s), supplier(s), contractor(s) and/or installer(s), and their action or inaction with respect to the Improvements, (xi) the merchantability and fitness for any particular purpose, use or application of the Improvements, (xii) the amount of energy savings resulting from the Improvements, (xiii) the workmanship of any third parties, and (xiv) any other matter with respect to LACEP. This release includes claims, obligations, liabilities, causes of action, and damages of which the Owner is not presently aware or which the Owner does not suspect to exist which, if known by the Owner, would materially affect the Owner's release of the Indemnified Parties and the City Parties.

OWNER HEREBY ACKNOWLEDGES THAT IT HAS READ AND IS FAMILIAR WITH THE PROVISIONS OF CALIFORNIA CIVIL CODE SECTION 1542 ("SECTION 1542"), WHICH IS SET FORTH BELOW:

"A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR."

BY INITIALING BELOW, OWNER HEREBY WAIVES THE PROVISIONS OF SECTION 1542 SOLELY IN CONNECTION WITH THE MATTERS WHICH ARE THE SUBJECT OF THE FOREGOING WAIVERS AND RELEASES.

Owner's Initials: _____

The waivers and releases by the Owner contained in this Section 11 shall survive the disbursement of the Disbursement Amount, the payment of the Assessment in full, the transfer or sale of the Property by the Owner, and the termination of this Contract.

12. **Further Assurances.**

The Owner shall execute any further documents or instruments consistent with the terms of this Contract, including documents and instruments in recordable form, as the County shall from time to time find necessary or appropriate to effectuate its purposes in entering into this Contract and disbursing funds to the Owner.

13. **Events of Default.**

(a) **Default.** Subject to the further provisions of this Section 13, the failure of any of the Owner's representations or warranties to be correct in all material respects, or the failure or delay by the Owner to perform any of its obligations under the terms or provisions of the Contract Documents, shall constitute a default hereunder ("Default").

(b) **Notice of Default.** Upon the occurrence of a Default, prior to exercising any remedies under the Contract Documents or the Act, the County shall give written notice of default to the Owner. Delay in giving such notice shall not constitute a waiver of any Default. The Owner must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction or remedy with reasonable diligence, but in any event, within the time set forth herein.

(c) **Cure Period for Monetary Default.** If the Owner fails to timely pay any installment of the Assessment or the Annual Administrative Assessment, the Owner shall have a period of thirty (30) days after notice is given pursuant to paragraph (b) above within which to cure such default. Following such thirty (30) day period, the County in its sole discretion may exercise any and all of its available remedies, including its right to foreclose the lien of the Assessment or the Annual Administrative Assessment pursuant to applicable law.

(d) **Cure Period for Non-Monetary Default.** If a non-monetary Default occurs and such Default is reasonably capable of being cured within thirty (30) days, the Owner shall have such period to effect a cure prior to exercise of remedies by the County under the Contract Documents or the Act. If the Default is such that it is reasonably capable of being cured but not within such thirty (30) day period and the Owner (i) initiates corrective action within such thirty (30) day period, and (ii) diligently, continually, and in good faith works to effect a cure as soon as possible, then the County in its sole discretion may elect to grant the Owner such additional time as is reasonably necessary to cure the Default prior to exercise of any remedies by the County. The foregoing notwithstanding, in no event shall the County be precluded from exercising any of its remedies if the Default is reasonably expected to result in the foreclosure or forfeiture of the Property, or if the Default is not cured within sixty (60) days after the first notice of Default is given.

(e) **Remedies Upon Default.** Subject to the provisions of paragraphs (b), (c) and (d) above, if any Default occurs the County may exercise any or all of the rights and remedies available to it under applicable law, at equity, or as otherwise provided herein. If no disbursement has occurred hereunder, the County may elect to terminate this Contract and, except as otherwise expressly provided herein, the parties have no further obligations or rights hereunder. If the Disbursement Amount has been disbursed in whole or in part, the County may terminate its obligations to make any further disbursement of the Disbursement Amount and exercise any or all of the rights and remedies available to it under this Contract and applicable law. As a cumulative remedy, if any installment of the Assessment and the Annual Administrative Assessment, together with any penalties, costs, fees, and other charges, accruing under applicable taxation provisions are not paid when due, the Board of Supervisors or its designee may order that the same be collected by an action brought in a court of competent jurisdiction to foreclose the lien of the Assessment and the Annual Administrative Assessment to

the extent permitted, and in the manner provided by, applicable law. Any and all costs and expenses incurred by the County in pursuing its remedies hereunder shall be additional indebtedness of the Owner to the County.

(f) **Remedies Cumulative.** Except as otherwise expressly stated in this Contract or as otherwise provided by applicable law, the rights and remedies of the County are cumulative, and the exercise of one or more of such rights or remedies shall not preclude the exercise by the County, at the same time or different times, of any other rights or remedies for the same Default or any other Default. No failure or delay by the County in asserting any of its rights and remedies as to any Default shall operate as a waiver of any Default or of any such rights or remedies, or deprive the County of its rights to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

(g) **Force Majeure.** Performance of the covenants and conditions imposed upon the Owner hereunder with respect to the commencement and completion of the Improvements shall be excused while and to the extent that, the Owner, through no fault or negligence of its own, is prevented from complying therewith by war, riots, strikes, lockouts, action of the elements, accidents, or acts of God beyond the reasonable control of the Owner; provided, however, that as soon as the cause or event preventing compliance is removed or ceases to exist the obligations shall be restored to full force and effect and the Owner shall immediately resume installation of the Improvements.

14. **Severability.**

Each and every provision of this Contract is, and shall be construed to be, a separate and independent covenant and agreement. If any term or provision of this Contract or the application thereof shall to any extent be held to be invalid or unenforceable, the remainder of this Contract, or the application of such term or provision to circumstances other than those to which it is invalid or unenforceable, shall not be affected thereby, and each term and provision of this Contract shall, be valid and shall be enforced to the extent permitted by law.

15. **Notices.**

All notices and demands shall be given in writing by first class mail, postage prepaid, or by personal delivery (by recognized courier service). Notices shall be considered given upon the earlier of (a) personal delivery or (b) two (2) business days following deposit in the United States mail, postage prepaid. Notices shall be addressed as provided below for the respective party; provided that if any party gives notice in writing of a change of name or address, notices to such party shall thereafter be given as demanded in that notice:

To the County: _____

Attention: Program Administrator

To the Owner: _____

Attention: _____

Notwithstanding anything set forth above, after disbursement of funds to the Owner, all notices regarding the assessment shall be sent only as provided by the laws of the State of California.

16. **No Waiver.**

No disbursement of the Disbursement Amount based upon inadequate or incorrect information shall constitute a waiver of the right of the County to receive a refund thereof from the Owner. No disbursement of any portion of the Disbursement Amount shall constitute a waiver of any conditions to the County's obligation to make further disbursements. No waiver by the County of any failure by the Owner to comply with any provision of this Contract shall in any way preclude the County from thereafter declaring such failure by the Owner a Default hereunder or be deemed a waiver of any other or subsequent Default.

17. **Governing Law.**

This Contract shall be construed and governed in accordance with the laws of the State of California.

18. **Assignment by the County.**

The County, at its option, may (i) assign any or all of its rights and obligations under this Contract, and (ii) pledge and assign its right to receive the Assessment and the Annual Administrative Assessment, and any other payments due to the County hereunder, without obtaining the consent of the Owner.

19. **Assignment by Owner Prohibited.**

The Owner may sell, transfer, rent or otherwise dispose of all or a portion of its interests in the Property so long as the Assessment and the Annual Administrative Assessment, including each installment thereof and the interest and penalties thereon, shall constitute a lien against the Property until the same is paid in full. All other dispositions of all or a portion of the Owner's rights and obligations under this Contract are subject to the prior express written consent of the County, which consent may be granted or withheld in the sole and absolute discretion of the County.

20. **Carbon Credits.**

The Owner agrees that any carbon credits attributable to the Improvements shall be held on behalf of LACEP by the County.

21. **Entire Agreement; Amendment.**

This Contract, together with the other Contract Documents, is the entire agreement between the parties. Any other agreement related to the Improvements, and any amendment to this Contract, must be signed in writing by both parties.

22. **Natural Persons.**

If the Owner of the Property consists of more than one natural person, the obligations hereunder of all the owners shall be joint and several.

23. **Counterparts.**

This Contract may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

24. **Special Termination.**

Notwithstanding anything to the contrary contained herein, this Contract shall terminate and be of no further force or effect if the Owner has submitted to the Program Administrator a notice of its decision to cancel this transaction in the form of the Notice of Cancellation attached as Exhibit J hereto, which notice shall be delivered to the County pursuant to Section 15 hereof no less than _____ () days prior to the disbursement of the Disbursement Amount.

25. **No Third Party Beneficiary Rights.**

This Contract is entered into for the sole benefit of the Owner and the County and, subject to the provisions of Sections 10, 11, 12 and 19, no other parties are intended to be direct or incidental beneficiaries of this Contract and no third party shall have any right in, under or to this Contract.

IN WITNESS WHEREOF, the Owner and the County have entered into this Contract as of the date and year first above written.

THE OWNER:

THE COUNTY:

COUNTY OF LOS ANGELES, CALIFORNIA

Date of Execution by the Owner:

_____, 20____

Name:

Title: _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss.
COUNTY OF _____)

On _____, before me, _____
Date Name and Title of Officer (e.g. "Jane Doe, Notary Public")
personally appeared _____

Name of Signer(s)

who proved to me on the basis of satisfactory evidence to the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form to another document.

Description of Attached Document

Title of Type of Document: _____

Document Date: _____ Number of Pages: _____

Signer(s) Other Than Names Above: _____

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- Individual
- Corporate Officer - Title(s): _____
- Partner - Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____
- Signer is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

Signer's Name: _____

- Individual
- Corporate Officer - Title(s): _____
- Partner - Limited General
- Attorney in Fact
- Trustee
- Guardian or Conservator
- Other: _____
- Signer is Representing: _____

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

EXHIBIT A
LEGAL DESCRIPTION

EXHIBIT B

CERTAIN FINANCING TERMS

Maximum Disbursement Amount:

Contract Term:

Maximum Interest Rate: ___ Percent (___%) per annum.

Financing Costs in the Event of Noncompletion:

Annual Administrative Assessment⁽¹⁾:

Prepayment Premium: From _____ to _____, a prepayment premium of ___ percent (___%)

From _____ to _____, a prepayment premium of ___ percent (___%)

After _____, a prepayment premium of ___ percent (___%)

Improvements:

Estimated Payment Schedule:

Fiscal Year Ending ⁽²⁾	Assessment Installments			Maximum	Total
	Principal Amount ⁽³⁾	Financing Costs ⁽⁴⁾	Interest	Annual Administrative Assessment ⁽⁵⁾	

⁽¹⁾ Based on the Maximum Annual Administrative Assessment established for LACEP, which amount may be adjusted from time to time by the Program Administrator, provided that the adjusted amount does not exceed the Maximum Annual Administrative Assessment.

⁽²⁾ The first installment of annual assessment installment is due in December of the referenced Fiscal Year and the second installment of annual assessment installment is due in April of the referenced Fiscal Year.

⁽³⁾ Based on Maximum Disbursement. Subject to revision by the Program Administrator following the disbursement of the Disbursement Amount, if necessary, pursuant to the Contract to reflect the Disbursement Amount. Includes any capitalized interest on Bonds.

⁽⁴⁾ Includes capitalized LACEP administrative expenses.

⁽⁵⁾ Based on the Maximum Annual Administrative Assessment established for LACEP, which amount may be adjusted from time to time by the Program Administrator, provided that the adjusted amount does not exceed the Maximum Annual Administrative Assessment.

EXHIBIT C

**LOS ANGELES COUNTY ENERGY PROGRAM
NOTICE OF INTEREST AND PAYMENT SCHEDULE**

Owner: _____ (the "Owner")

Address: _____
_____ (the "Property")

Assessor's Parcel Number: _____

LACEP Loan Number: _____

Pursuant to Section 1(b)(ii) of that certain Assessment Contract (the "Assessment Contract") executed by and between you, as Owner of the Property, and the County in connection with the Los Angeles County Energy Program, you are hereby notified that the interest rate applicable to the unpaid Assessment (as defined in the Assessment Contract) is ____%. The schedule of Assessment Installments, interest thereon and the Maximum Annual Administrative Assessment with respect to the referenced property is set forth below:

Fiscal Year Ending ⁽¹⁾	Assessment Installments			Maximum	Total
	Principal Amount ⁽²⁾	Financing Costs ⁽³⁾	Interest	Annual Administrative Assessment ⁽⁴⁾	

⁽¹⁾ The first installment of annual assessment installment is due in December of the referenced Fiscal Year and the second installment of annual assessment installment is due in April of the referenced Fiscal Year.

⁽²⁾ [Includes any capitalized interest on the Bonds] and capitalized LACEP administrative expenses.

⁽³⁾ Includes capitalized LACEP administrative expenses.

⁽⁴⁾ Based on the Maximum Annual Administrative Assessment established for LACEP, which amount may be adjusted from time to time by the Program Administrator, provided that the adjusted amount does not exceed the Maximum Annual Administrative Assessment.

The Notice of Assessment of record with the Office of the Registrar-Recorder/County Clerk of the County of Los Angeles will be amended to reflect the foregoing payment schedule.

Program Administrator,
Los Angeles County Energy Program

EXHIBIT D

NOTICE OF ASSESSMENT

WHEN RECORDED RETURN TO

County of Los Angeles
Treasurer and Tax Collector
Kenneth Hahn Hall of Administration
500 West Temple Street, Room 437
Los Angeles, California 90012
Attention: Los Angeles County Energy Program
– Program Administrator

NOTICE OF ASSESSMENT

Pursuant to the requirements of Section 5898.32 of the Streets and Highways Code of the State of California, the undersigned Clerk of the Board of Supervisors (the “Board of Supervisors”) of the County of Los Angeles, a political subdivision of the State of California (the “County”), hereby gives notice that contractual assessments relating to that certain real property described in Appendix A hereto (the “Property”), in the amounts set forth in Appendix B hereto, were recorded in the Office of the Registrar-Recorder/County Clerk of the County, as provided for in said Section 5898.32.

Pursuant to that certain Assessment Contract (the “Assessment Contract”) by and between the County and the owner of the Property named herein in connection with the Los Angeles County Energy Program, the several assessments assessed on the Property set forth in Appendix B hereto became a lien upon the Property and the Property became subject to the assessment in accordance pursuant to the Assessment Contract, the Act and applicable law upon the execution of such Assessment Contract.

In addition to the assessment to pay the costs and expenses of the improvements to be acquired, the Property is subject to a separate and additional assessment, as set forth in Appendix B hereto, to be levied annually to pay for costs not otherwise reimbursed which will result from the administration and collection of assessments or from the administration or registration of any associated bonds and reserve or related funds.

Reference is made to the Assessment Contract for the amount of any final and adjusted assessments, including any annual assessment as levied for administrative costs or maintenance, as applicable.

Included in Appendix A hereto is the name(s) of the owner of record of the Property, which is also the assessed owner of the Property as it appears on the latest secured assessment roll, all as required pursuant to Section 27288.1 of the Government Code of the State of California.

Dated: _____

Clerk of the Board of Supervisors of the
County of Los Angeles

By: _____
Deputy

Appendix A to Notice of Assessment

DESCRIPTION OF THE PROPERTY

Appendix B to the Notice of Assessment

Name(s) of Owner of the Property: _____

Assessment Amount: _____

Annual Administrative Assessment Amount: _____

EXHIBIT E

Payment of Contractual Assessment Required

Pursuant to the requirements of Section 5898.24(d) of the Streets and Highways Code of the State of California, the Board of Supervisors (the "Board of Supervisors") of the County of Los Angeles, a political subdivision of the State of California (the "County"), hereby gives notice that the real property described in Appendix A hereto (the "Property") is subject to a contractual assessment that is required to be paid in accordance with that certain Assessment Contract (the "Assessment Contract") by and between the owner of the Property and the County in connection with the Los Angeles County Energy Program. Certain information regarding the contractual assessment assessed on the Property is set forth below.

- (1) The names of all current owners of the real property subject to the contractual assessment:

- (2) Legal description of the Property: See Exhibit Appendix A attached hereto and incorporated herein by this reference.

- (3) Assessor's parcel number for the Property:_____.

- (4) The annual amount of the contractual assessment:_____.

- (5) The contractual assessment referenced (4) above expires on the date such contractual assessment and any applicable penalties, costs, fees, and charges, including the Annual Administrative Assessment (as defined in the Assessment Contract), have been paid in full.

- (6) Funds from the contractual assessment were used to finance the acquisition and construction on and installation in the Property of certain qualifying renewable energy systems and energy and water efficiency improvements, as further described in the Assessment Contract.

- (7) Funds from the contractual assessment should be paid to the following:

[Name of entity to which contractual assessments should be paid]
[Address of entity]
[Contact person]²

Date: _____

Treasurer and Tax Collector of the

² Section 5898.24(d)(2)(E) of the Act requires the document to include "the entity to which funds from the contractual assessment will be paid and specific contact information for that entity".

County of Los Angeles [or Entity to which
Contractual Assessments will be paid]

By: _____³
Name:
Title:

³ Section 5898.24(d)(2)(F) of the Act requires the document to include “the signature of the authorized representative of the legislative body to which funds from the contractual assessment will be paid.”

Appendix A to Notice of Payment of Contractual Assessment Required

DESCRIPTION OF THE PROPERTY

EXHIBIT F

**LOS ANGELES COUNTY ENERGY PROGRAM
NOTICE TO PROCEED**

Date: _____

Owner: _____ (the "Owner")

Address: _____
_____ (the "Property")

Assessor's Parcel Number: _____

LACEP Loan Number: _____

Pursuant to Section 4(a) of that certain Assessment Contract (the "Assessment Contract") executed by and between you, as Owner of the Property, and the County in connection with the Los Angeles County Energy Program, you are hereby given notice to proceed (this "Notice to Proceed") with acquisition, construction and installation of the Improvements and, upon completion of the Improvements, submit a request for funding to LACEP. This Notice to Proceed constitutes consent and authorization pursuant to Section 5898.21 of the Act for the Owner to purchase directly the related equipment and materials for the Improvements and to contract directly for the construction on and/or installation in the Property of the Improvements. The Owner must complete installation of the Improvements no later than __ days after the date of this Notice to Proceed, provided that the Owner and the Program Administrator may agree to an extension of this completion date for good cause shown pursuant to Section 4(b) and Section 13(g) of the Assessment Contract, but in no event shall the completion date be more than one year from the date of this Notice to Proceed. Disbursement of any amounts pursuant to the Assessment Contract is subject to satisfaction of the terms and conditions thereof.

Program Administrator,
Los Angeles County Energy Program

EXHIBIT G

**NOTICE OF PROPOSED CONTRACTUAL ASSESSMENT
(Commercial Property Owner)**

Notice Date: _____

Lender Address: _____

Property/Loan Information:

Owner: _____

Address: _____

APN: _____

Loan Number(s): _____

To Whom It May Concern:

The undersigned (the “Owner”) is the owner of a certain real property located at the above-referenced address (the “Property”). You are the lender (the “Lender”) with respect to the above-referenced (the “Loan”) that is secured by a lien on the Property.

The Owner is sending this Notice of Proposed Contractual Assessment to Lender to (i) provide notice of the Owner’s proposed participation in the Los Angeles County Energy Program (“LACEP”), (ii) request confirmation from the Lender that the levy of the contractual assessment pursuant to the herein described Assessment Contract will not trigger an event of default or the exercise of any remedies under the Loan documents, and (iii) provide notice that the contractual assessment (including any penalties and interest) will be secured by a statutory lien on the Property that is senior to the lien securing the Loan.

Background. The County of Los Angeles, a political subdivision of the State of California (the “County”) has established LACEP to help finance the acquisition and construction on and installation in the assessed properties, including the Property, of certain qualifying renewable energy systems and energy and water efficiency improvements (the “Improvements”) pursuant to Chapter 29 of Part 3 of Division 7 of the Streets & Highways Code of the State of California (“Contractual Assessment Law”).

In accordance with Contractual Assessment Law, the County will levy a contractual assessment to finance the installation of the Improvements on certain property with the agreement of the applicable property owner pursuant to the terms of an assessment contract (the “Assessment Contract”) between such property owner and the County. Pursuant to Section 5898.30 of Contractual Assessment Law, the contractual assessment (including any penalties and interest) is collected on the property tax bill and is secured by a lien on the applicable property

that is (i) senior to all private liens, including private liens that existed prior to levy of the contractual assessment and (ii) cannot be subordinated to the private liens.

Information regarding the purpose and method of administration of the assessments under LACEP can be found at _____ [website].

Participation in LACEP. The Owner has applied to participate in LACEP and intends to finance installation on the Property of the Improvements set forth on Exhibit A hereto. The contractual assessment to be levied on the Property (the "Contractual Assessment") pursuant to the Assessment Contract and the related payment terms are proposed to consist of the following:

Principal amount: \$ _____
Estimated interest rate: _____ %
Term of repayment period: _____
Annual administrative component: \$ _____
Total estimated annual installment: \$ _____

Lender Approval. Please acknowledge that participation of the Property in LACEP is acceptable to the Lender by executing the attached Certificate of Lender and returning it to the undersigned at your earliest convenience.

Very truly yours,

BY: _____
(Signature)

OWNER
NAME: _____

MAILING ADDRESS (if different than
Property address): _____

EXHIBIT H

**CERTIFICATE OF LENDER
(Commercial Property Owner)**

Property/Loan Information

Owner: _____

Address: _____

APN: _____

Loan: _____

In connection with the above-referenced loan (the “Loan”) relating to the above-referenced property (the “Property”) by the herein referenced lender (the “Lender”), the undersigned hereby certifies, acknowledges, confirms and agrees as follows:

- (1) He/she is duly authorized to execute this Certificate on behalf of the Lender.
- (2) The Lender is in receipt of written notice (the “Notice”) from the owner of the Property (the “Owner”) that Owner intends to finance installation on the Property of certain renewable energy, energy efficiency and/or water efficiency improvements that will be permanently fixed to the Property (the “Improvements”) by participating in the Los Angeles County Energy Program sponsored by the County of Los Angeles, a political subdivision of the State of California (the “County”).
- (3) As a result of an Assessment Contract between the County and the Owner (the “Assessment Contract”) and pursuant to Chapter 29 of Part 3 of Division 7 of the Streets and Highways Code of the State of California, the Contractual Assessment described in the Notice will be levied on the Property and the Contractual Assessment (including any penalties and interest) will be secured by a statutory lien that is senior to the lien securing the Loan.
- (4) The Lender consents to the levy of the Contractual Assessment pursuant to the Assessment Contract.
- (5) The Lender agrees that the levy of the Contractual Assessment will not constitute an event of default or the exercise of any remedies under the documents relating to the Loan.

The Lender further acknowledges that the Owner and the County will rely on this Certificate in connection with the disposition and administration of the Assessment Contract and the Los Angeles County Energy Program.

[LENDER]

By: _____

Name:

Title:

Date:

EXHIBIT I

**LOS ANGELES COUNTY ENERGY PROGRAM
NOTICE OF CANCELLATION**

_____ [and _____] are the owner[s] of record ([collectively,] the “Owner”) of that certain real property located at _____ located in the County of Los Angeles, California. The Owner previously executed that certain Assessment Contract (the “Assessment Contract”) with the County of Los Angeles (the “County”) in connection with the Los Angeles County Energy Program (“LACEP”). Pursuant to the Assessment Contract, Owner hereby notifies the LACEP Program Administrator in accordance with Sections 15 and 24 of the Assessment Contract no less than _____ (__) days prior to the disbursement of the Disbursement Amount that the Owner has determined to cancel the transaction described in the Assessment Contract. Accordingly, the Contract shall terminate and be of no further force or effect, except that the Owner agrees to pay amounts due, if any, pursuant to Section 1(b)(iv) of the Assessment Contract relating to financing costs in the event of the improvements are not completed.

Dated: _____

[OWNER]

By: _____
Name: _____

By: _____
Name: _____

Exhibit B

STATEMENT OF WORK

APPENDIX A
Statement of Work (SOW)

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Attachments

- 1 Required Program Documents
- 2 Performance Requirements Summary

1.0 SCOPE OF WORK

- 1.1 Provider shall implement the County's Property Assessed Clean Energy (PACE) Program (Program) in accordance with this SOW and the requirements set forth in the Los Angeles County Energy Program (LACEP) Program Report, subject to change pursuant to the future needs of the Program.
- 1.2 Implementation of the Program includes, but is not limited to actions and activities that: develop, promote, enroll, manage, and report Projects financed through PACE-defined contractual assessments; and shall also include all resources and processes required to satisfy the deliverables detailed in this Statement of Work (SOW), such as data archives, models, systems software, templates, etc.
- 1.3 Program must comply with all state and local governing laws, including but not limited to AB 811, AB 474, SB 1340, AB 2618, AB 2693, SB 242, and AB 1284; and any future amendments and regulations that may arise.
- 1.4 The County's Residential PACE Program was adopted under, and is administered pursuant to AB 811. A Provider under this Master Agreement (MA) shall be required to administer and operate a single residential PACE Program throughout the entire County pursuant to AB 811. Providers shall be prohibited from offering separate residential PACE services to municipalities in the County outside of this MA.

2.0 DEFINITIONS

Definitions are for convenience and reference only and are not intended to define the scope of any provision thereof. The following words as used herein shall be construed to have the following meaning, unless otherwise apparent from the context in which they are used.

- 2.1 **Affiliated Individuals:** All of the Provider's employees, entities, owners, partners, principals, subsidiaries, affiliates, and subcontractors collectively.
- 2.2 **Assessment Contract (AC):** The agreements by and between the County and property owners participating in the Program, pursuant to which the County agrees to provide financing for Projects.
- 2.3 **California Alternative Energy and Advanced Transportation Financing Authority:** Also referred to herein as CAEATFA, administers a statewide energy-efficiency loan loss reserve fund.
- 2.4 **County Contract Director:** Person designated by Department Head (as defined below) with authority to negotiate and recommend all changes on behalf of County, with authority for County on contractual, implementation, or administrative matters relating to this MA that cannot be resolved by the County's Project Manager.
- 2.5 **County Project Manager:** Person designated by County's Project Director (as designated by the Department Head to manage the operations under this MA.
- 2.6 **County Treasurer and Tax Collector.** The Treasurer and Tax Collector of the County of Los Angeles
- 2.7 **Department Head:** Director of Internal Services Department.

- 2.8* **Department:** County of Los Angeles Internal Services Department.
- 2.9* **Fiscal Year:** The twelve (12) month period beginning July 1st and ending the following June 30th.
- 2.10* **LACEP Program Report** (also referred to herein as the Program Report): The legal document approved by County Board of Supervisors enabling the establishment of a residential and commercial PACE program within Los Angeles County pursuant to PACE enabling legislation, as amended from time to time, which provides a general description of Program operations and requirements (attached as MA, Exhibit A).
- 2.11* **Master Agreement (MA):** Contract executed between County and Provider. It sets forth the terms and conditions for the issuance and performance of this Exhibit A (SOW).
- 2.12* **Measure(s):** Qualifying energy and water efficiency improvements, as well as electric vehicle charging infrastructure, seismic retrofits, and any and all other qualifying projects authorized by State and local laws and the LACEP Program Report.
- 2.13* **Operations Manual.** Each vendor approved under this RFSQ shall be required to develop and submit to County for its approval, a comprehensive Operating Manual, setting forth all processes, tools, systems, and procedures to be utilized and applied by Vendor to meet the requirements collectively stipulated under this Statement of Work, the terms and conditions of the Master Agreement, and any and all other actions reasonably directed by County.
- 2.14* **Program Handbook.** Details the terms governing all program participants, including property owners, home improvement contractors, lenders, and investors for an audience of property owners and applicants.
- 2.15* **Program Manager:** Provider's Program Manager as specified in MA, paragraph 7.2 (Provider's Program Manager)
- 2.16* **Program:** Los Angeles County's PACE program.
- 2.17* **Project(s):** Installation of improvements (energy efficiency, renewable energy, electric vehicle infrastructure, seismic, water-saving, etc.) which are eligible under and funded by the Program.
- 2.18* **Property Assessed Clean Energy (PACE):** PACE is a way to finance energy, water, and other eligible improvements to buildings and repay the cost of the improvements via yearly assessment that will appear on the Annual Secured Property Tax Bill property tax bill for a period up to 25 years or useful life.
- 2.19* **Provider Program Director:** The individual designated by the Provider with authority on contractual or administrative matters relating to this MA that cannot be resolved by the Provider's Program Manager.
- 2.20* **Provider:** An organization (sole proprietor, partnership, or corporation) that has entered into a MA with the County to provide Program implementation services.
- 2.21* **Registered Home Improvement Contractors (RHIC's):** Qualified home improvement contractors which the Provider enrolls into their respective programs, and trains, maintains, and manages.
- 2.22* **Request for Statement of Qualifications (RFSQ):** A solicitation based on establishing a pool of qualified vendors to provide services through MAs.
- 2.23* **Statement of Qualifications (SOQ):** A vendor's response to an RFSQ.

- 2.24 **Statement of Work (SOW):** This document is the Statement of Work.
- 2.25 **Tax Administrator:** Third-party tax administrator hired by Provider. **Trustee:** Third party trustee administrator hired by Provider.

3.0 GENERAL ADMINISTRATION

3.1 Provider's Office

Maintain a staffed office where it conducts Program-related services, which is open a minimum of 5 business days per week, between 7:00 AM and 5:00 PM. PT

3.2 Customer Service Center

3.2.1 Staff office phone lines with in-house staff, at a minimum:

3.2.1.1 Monday-Friday: 8:00 AM-9:00 PM

3.2.1.2 Saturday: 9:00 AM-6:00 PM

3.2.1.3 Sunday: 10:00 AM- 6:00PM

3.2.2 Record all calls, e-mails, and online communications for Quality Assurance/Quality Control (QA/QC) purposes.

3.2.3 Maintain an answering service when the Customer Service Center is closed, with the policy that any calls received shall be returned within one (1) business day of receipt of the call.

3.2.4 In addition to English, provide assistance in multiple languages, according to market demands, as specified by County.

3.3 Staff

Assign a sufficient number of employees to perform all work in this SOW, including without limitation sufficient staff and resources to: monitor, track, and enforce consumer protections, contractor quality assurance/quality control, compliance of all documents and actions with state and local law as well as all terms and conditions of the MA, issuance of assessment statements and notices of payments due and/or delinquencies and/or defaults, ability-to-pay clearances, and timely reporting. This paragraph shall also be defined to include third-party vendors necessary or preferred in the execution of the Program and the duties under the MA, for example, third party vendors to perform fair market valuations of properties.

3.3.1 Program Manager

3.3.1.1 Program Manager and designee shall act as the central point of contact of the Provider and possess the full authority to act for the Provider.

3.3.1.2 Program Manager or designee shall be available 24/7 (24 hours by 365 days per year, including weekends and holidays).

3.3.1.3 Program Manager shall have a minimum of one (1) year's experience within the last five (5) years managing programs of the size and complexity described herein, or as determined by the County.

3.3.2 Background and Security Investigations

- 3.3.2.1** Each of Provider's staff performing services under this MA who is in a designated sensitive position, as determined by County in County's sole discretion, shall undergo and pass a background investigation to the satisfaction of County as a condition of beginning and continuing to perform services under this MA. Such background investigation must be obtained through fingerprints submitted to the California Department of Justice to include State, local, and federal-level review, which may include, but shall not be limited to, criminal conviction information. The fees associated with the background investigation shall be at the expense of the Provider, regardless if the member of Provider's staff passes or fails the background investigation.
- 3.3.2.2** If a member of Provider's staff does not pass the background investigation, County may request that the member of Provider's staff be immediately removed from performing services under the MA at any time during the term of the MA. County will not provide to Provider or to Provider's staff any information obtained through the County's background investigation.
- 3.3.2.3** County, in its sole discretion, may immediately deny or terminate facility access to any member of Provider's staff that does not pass such investigation to the satisfaction of the County or whose background or conduct is incompatible with County facility access.
- 3.3.2.4** Disqualification of any member of Provider's staff pursuant to this paragraph shall not relieve Provider of its obligation to complete all work in accordance with the terms and conditions of this MA.

3.4 Activity Calendar

Provide a monthly calendar to the Department with all administrative/financial/legal activities on the first of every month.

3.5 Meetings

Establish a toll-free conference line for weekly and other scheduled meetings with the County. Also host, at County's request and discretion, monthly-in person or other ad-hoc meetings.

3.6 Outgoing Transition

To ensure a smooth transition with County or County's succeeding selected provider upon expiration or termination of this MA, Provider shall, at a minimum, deliver to the Department documents and undertake actions, as follows:

- 3.6.1** Include an outgoing transition plan as part of the Operations Manual.
- 3.6.2** Cease approving new ACs six (6) months, or such time as is necessary, prior to the expiration or termination of this MA.
- 3.6.3** Finish/close pending ACs.

- 3.6.4 Ensure that support systems (i.e. provisions for bond counsel, Trustee, and Tax Administrator) are in place for existing bonds Vendors submitting SOQs under this RFSQ acknowledge and agree that County reserves the right, both prior to and throughout the duration of any and all Master Agreements, to directly procure and contract with bond counsel, Trustee, and/or Tax Administrators (collectively, the Financial Representatives), and that in such event, Vendor warrants and agrees to work with County Financial Representative(s) in a timely and responsible manner. If County shall contract with Financial Representative(s) during the term of any Master Agreement entered into under this RFSQ, Vendor(s) acknowledge and agree that it shall amend any existing agreements for said services in favor of County Financial Representatives, and shall arrange for the timely and complete transfer of records and documents necessary for the execution of services by County Financial Representatives.
- 3.6.5 Provide all customer service records, records of all complaints and resolution documentation, and home improvement contractor enrollment and oversight records
- 3.6.6 Provide a Draft Closing Report covering the final quarter of the Program and, separately, a cumulative to date Report that includes, but is not limited to:
 - 3.6.6.1 Executive summary of Provider’s Program from pre-development through expiration of Provider’s MA with the County
 - 3.6.6.2 Quarterly and cumulative dashboards and tables recording Program performance through a number of indicators, and metrics identified by the County
 - 3.6.6.3 Detailed record of “best management practices” used, adapted, or improved throughout the term and course of the Program
 - 3.6.6.4 Detailed statement of “lessons learned” and responsive Program improvements, and any then-existing Program projections
 - 3.6.6.5 Any and all accompanying documents, work products, tools, resources, assets, records or memoranda created by Provider relating to or in support of the Program, as County may request.

4.0 DATA ADMINISTRATION

4.1 Tracking and Reporting

All eligible Providers shall monitor and track, and maintain comprehensive records of all transactions, communications, documents, registrations, financial and fiscal accountings, and any and all other actions undertaken in the execution of the Program, including but not limited to:

- 4.1.1 Track and provide data for all Program processes, log every change, note, and action, including, but not limited to work associated with the following processes: applications, underwriting, ACs, recordation, bonding/financing, real estate (partial or complete prepayments, refunds, overpayments, roll corrections, lien releases), etc. through

secure software platform(s) and ensure that all originations meet detailed requirements.

4.1.2 Maintain copies (draft and executed) of all Program documents including, but not limited to:

4.1.2.1 Account statements produced by the paying agent and/or Trustee since Program inception

4.1.2.2 Executed ACs and addenda

4.1.2.3 Executed final bond documents (specimens and ancillary documents)

4.1.2.4 Recorded documents

4.1.2.5 Trustee accounts, including bank statements

4.1.2.6 Executed final real estate documents

4.1.3 Providers shall promptly deliver to the Department all requested ad hoc reports. For all reports, test and verify the data collection and reporting methods and models used to generate these reports and provide to Department the methodologies and supporting assumptions and/or sources available upon request.

4.1.4 Providers shall deliver scheduled reports, including but not limited to:

4.1.4.1 Weekly Report

Provide weekly verbal and written reporting on complaints received, resolution actions, and outcomes.

4.1.4.2 Monthly Report

Provide County with a monthly report, on the first of the month, in an editable format, and with the following non-exclusive list of metrics (omitting any sensitive, privacy-related property owner information), and which shall conform to any requirements set forth by the County:

4.1.4.2.1 Number of applications received by Provider

4.1.4.2.2 Number of Project applications approved by the County

4.1.4.2.3 Bonded value of Projects funded and accrued loan loss reserve (both monthly and accrued-to-date)

4.1.4.2.4 Value of Project applications approved by the County

4.1.4.2.5 Number of Projects per Supervisorial District

4.1.4.2.6 Assessment Value of Projects per Supervisorial District

4.1.4.2.7 Number of complaints received, a description of the complaint, status update, aging, and, if applicable, resolution

4.1.4.2.8 Number of Projects completed

- 4.1.4.2.9 Estimated annual and lifetime amount of environmental savings (i.e. amount of renewable energy reduced, water saved, and greenhouse gas emissions reduced)*
- 4.1.4.2.10 Estimated number of jobs created*
- 4.1.4.2.11 Other data and metrics as shall be requested by County, from time to time

*Data collected for the monthly metrics reports must be developed and collected applying industry standards and verified methodologies.

4.2 Data Electronic Feeds

Provide County with all requested ad hoc data and scheduled data feeds, through an electronic data feed compatible with County systems, including:

4.2.1 Daily Feed

All variable data elements from the property owner's application, AC (all fields within each AC, including, but not limited to: property owner name, phone number, e-mail, and senior citizen status), addenda, and other elements as identified and required by County.

4.2.2 Quarterly Feed

All variable data elements from completed Projects.

4.3 Websites

Create and maintain the following websites, with a user experience design that is intuitive and easy to use. All websites shall provide a link to the County managed website: pace.lacounty.gov.

4.3.1 County Portal

The County portal is not for general public use and shall allow County secure access to real-time reporting of key Project data, Project status, metrics, draft and executed copies of all Program documents as specified in paragraph 4.1 (Tracking and Reporting).

4.3.2 RHIC Portal

At a minimum:

- 4.3.2.1 Registration for RHICs
- 4.3.2.2 Allows RHICs to update their profile
- 4.3.2.3 Allows RHICs to securely access Program resources and real-time data specific to their needs and Projects

4.3.3 Public Website

At a minimum:

- 4.3.3.1 Resources to help property owners determine suitable energy upgrades
- 4.3.3.2 PACE process description

- 4.3.3.3 Property owner eligibility application
- 4.3.3.4 Eligible Measures with specifications
- 4.3.3.5 RHIC profiles, contact information, and services provided
- 4.3.3.6 Video and written testimonials
- 4.3.3.7 Interest rates, fees, and terms as approved by County
- 4.3.3.8 Privacy Policy and Terms of Use
- 4.3.3.9 As may be provided by County, from time to time, information on benefits and co-benefits of energy and other structural upgrades available under the Program

4.4 Security

Develop secure and tested processes that protect property owners' personal identifiable information on points of potential vulnerability, including, but not limited to, the application, AC, recordation, and processes, as follows:

- 4.4.1 A cyber-security policy and protocol that, at a minimum, requires data encryption "during transmission" and "at rest," and compliance with sturdy cyber-security standards.
- 4.4.2 A protocol for access to information based upon job function and need-to-know criteria.
- 4.4.3 Measures that protect the security and confidentiality of consumer records and information, including, without limitation, requiring all computers and other devices containing any confidential consumer information to have all drives encrypted with industry standard encryption software.
- 4.4.4 Monitoring and logging all remote access to its systems, whether through VPN or other means.
- 4.4.5 Data security policies that are subject to auditing and penetration testing conducted by an independent auditor hired by the County at least annually and any time a change is made that may have any potential impact on the servers, security policies or user rights.
- 4.4.6 Ensuring minimum viable configurations are in place on all servers. All firewalls should have continuous logging enabled. In addition, access control lists and audited server configurations should be used to ensure that data security is maintained.
- 4.4.7 Informing and enforcing personnel compliance with the Program's data privacy and security policies on the part of every employee, contractor, vendor, agent, service provider, representative, and associate who is exposed to personal identifiable information of property owners.
- 4.4.8 Implementing protections and controls to prevent unauthorized copying, disclosure, or other misuse of sensitive consumer information by personnel.

4.5 Ownership

- 4.5.1** As between County and Provider, County shall be the sole and exclusive owner of any and all information, data (project specifications, application for financing, underwriting and property owner application approval), plans, diagrams, reports and other documents and records, of whatever nature, entered or accessed or provided by County, its authorized users or Provider ("County Data"), excluding any and all software, source codes, and/or directive works of the software, during provision of work and/or services under the MA.
- 4.5.2** Upon any expiration or termination of this MA and for a period of five (5) years thereafter, and continuously throughout its term, Provider, at its sole cost and expense, will make available to and otherwise provide County with a complete copy of the most recent back up of any County Data maintained by Provider or on its behalf, in a mutually agreed upon, commercially standard format that is compatible with County's then existing systems and will assist County in the transition of such County Data as reasonably requested by County.
- 4.5.3** This MA shall not be construed as granting any ownership rights in Provider to any County Data or any other County Confidential Information. County Data shall not be used by Provider for any purpose other than as required under this MA, nor shall the County Data or any part of the County Data be disclosed, sold, assigned, leased or otherwise disposed of or disseminated to third parties by Provider or commercially exploited or otherwise used by or on behalf of Provider, its officers, directors, employees, subcontractors or agents.
- 4.5.4** Notwithstanding anything to the contrary in this paragraph, County acknowledges and agrees that the Provider, and its financing partners, will have collected and compiled data and information under this MA ("Data Compilations") in connection with the services provided under this MA and that such Data Compilations may be used by the Provider and/or its financing partners for their own purposes, including, without limitation, sale or distribution of financial instruments to third parties; provided, however, that the Provider will not, and shall ensure that its financing partners will not, sell or distribute any of the County's confidential information that may be contained in such Data Compilations, unless such confidential information is used only on an aggregated and anonymous basis and does not disclose County Confidential Information.

4.6 Destruction

- 4.6.1** Providers and any RHICs that have maintained, processed, or stored County's data and/or information, implied or expressed, have the sole responsibility to, and must, certify that the data and information have been appropriately destroyed consistent with the National Institute of Standards and Technology (NIST) Special Publication SP 800-88 titled Guidelines for Media Sanitization. (Available at: <http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-88-Rev.%201>)
- 4.6.2** The data and/or information may be stored on purchased, leased, or rented electronic storage equipment (e.g., printers, hard drives) and electronic devices (e.g., servers, workstations) that are geographically located within the County, or external to the

County's boundaries. The County must receive within ten (10) business days, a signed document from Provider(s) that certifies and validates the data and information were placed in one or more of the following stored states: unusable, unreadable, and indecipherable.

- 4.6.3** Provider shall certify that any County data stored on purchased, leased, or rented electronic storage equipment and electronic devices, including, but not limited to printers, hard drives, servers, and/or workstations are destroyed consistent with the current National Institute of Standard and Technology (NIST) Special Publication SP-800-88, Guidelines for Media Sanitization. Provider shall provide County with written certification, within ten (10) business days of removal of any electronic storage equipment and devices that validates that any and all County data was destroyed and is unusable, unreadable, and/or undecipherable.

5.0 PROGRAM REQUIREMENTS

5.1 Documents

Create and maintain the documents in Attachment 1 (Required Program Documents). All documents must be approved by County prior to use.

5.2 Funding Source

Provider must have an established and a sustainable source of capital for funding Projects, and disclose its investors to County as an element of its SOQ. A submission to the County of an SOQ shall constitute the submitting Provider's acknowledgement, understanding and agreement that Provider shall not have access to or use of any funds from the County (from any County source whatsoever); and, further, that Provider warrants and represents it has and shall continue to have access to capital markets to ensure sufficient funding is consistently available to execute its duties and obligations under the Program.

5.3 Payment of County's Cost Recovery Expense

- 5.3.1** Reimburse County monthly for all costs borne by the County to administer the MA and support the Program in an amount no less than 1% of the par amount (principal amount of the bonds) of the Program assessment bonds; as same may from time to time be assessed and modified by the County in the exercise of its sole discretion

- 5.3.2** The methodology for calculating all fees, including the County's Cost Recovery Expense, shall be subject to County approval prior to Program launch or upon subsequent modifications.

5.4 Consumer Protection

Consumer protection is a critical component of the Program and as such, consumer protections are embedded throughout all sections of this SOW. At a minimum, Provider shall adhere to all consumer protections provided under law, which shall include AB 1284 (Debabneh) and SB 242 (Skinner). Provider shall observe and strictly adhere to all consumer protections under the Program, whether codified by law or stipulated by the County, including but not limited to:

5.4.1 Complaints

Develop, maintain, and implement procedures for receiving, investigating, tracking, timely resolving (including assisting property owners in multiple languages, to the extent practicable), and reporting to the County on all property owner complaints in accordance with the detailed guidelines set forth in the Operations Manual and Program Handbook.

5.4.2 Privacy

5.4.2.1 The Program obtains sensitive personal identifiable information (e.g., full name, home address, social security number, date of birth) from property owners as part of the Program application process or through other property owner touch points with the Program. As such, Provider shall develop and deliver to property owners prior to receipt of such personal identifiable information, a privacy policy that complies with state and federal law (e.g., the Gramm-Leach-Bliley Act). The privacy policy must expressly prohibit sharing personal identifiable information with third parties without the property owners' express authorization except where expressly permitted by state and federal law. Such privacy policy will cover (i) the sources from which sensitive consumer information is obtained, (ii) the Provider's use of sensitive consumer information, and (iii) a mechanism by which a consumer may opt-out of sharing information. The Provider will deliver to property owners any updates to such privacy policies.

5.4.2.2 Establish processes and controls to ensure that it only obtains personal identifiable property owner information directly from a property owner (or his/her verifiable legal representative or attorney in fact) and not from a RHIC or other third party.

5.4.3 Protected Classes

5.4.3.1 Ensure compliance (its own and that of RHICs and Affiliated Individuals) with all state and federal laws that cover individuals in protected classes, including those based on race, religion, color, marital status, gender, sexual orientation, gender identify, gender expression, national origin, citizenship, presence of children, disability, age, veteran status, participation in a public assistance program, or because an applicant has in good faith exercised any right under the Consumer Credit Protection Act.

5.4.3.2 Provide legally unbiased access to and decisions regarding Program participation to all property owner applicants.

5.4.4 General Consumer Protections

5.4.4.1 All phone calls with property owners will be recorded (following express disclosure of the recording) and maintained for no less than three (3) years, or longer if mandated by law.

5.4.4.2 Before the property owner and RHIC enter into a Project construction contract, the RHIC will provide the property owner with a typed

construction cost estimate for the Project. The estimate will be on the RHIC's letterhead and will include:

- 5.4.4.2.1** RHIC's business name as on file with the California State Contractors License Board (CSCLB)
- 5.4.4.2.2** RHIC's business address on file with the CSCLB
- 5.4.4.2.3** RHIC's contractor license number and the type of license the RHIC is operating under
- 5.4.4.2.4** Name of the RHIC's sales representative
- 5.4.4.2.5** The estimate including, at a minimum, all Measures to be installed on the property, the cost of such measures, taxes and Project financing charges.
- 5.4.4.2.6** Affirmation by the Property Owner that the subject property either has no existing PACE Assessment registered against it (under any and all PACE Program Providers), or that Property Owner has paid in full any prior PACE Assessment. If there is an active PACE Assessment existing on the property, then the RHIC must confirm the amount and verify that any subsequent work sought to be secured under a new PACE Assessment is fully compliant with the provisions of Paragraph 7 below.

5.4.4.3 After the property owner has signed an AC and before the AC is sent to the County for counter-signing, the Provider will conduct a Project confirmation discussion with the property owner(s). The Project confirmation discussion will be recorded and include, at a minimum, declarations by the property owner that:

- 5.4.4.3.1** They agree to all terms of the AC
- 5.4.4.3.2** They agree to the installation of all of the Measure(s)
- 5.4.4.3.3** They understand and agree to the amount of the yearly assessment that will appear on their property tax bill
- 5.4.4.3.4** That there is no active pre-existing PACE Assessment registered against the Property (regardless of the PACE Program Provider); or that any pre-existing PACE Assessment against the property has been fully paid and satisfied; or that the current AC does not combine to make the property non-compliant with the provisions of Paragraph 7 below.

The Project confirmation discussion between the Provider and property owner can be conducted by a recorded phone call. The Provider will provide the County with the time and date of the discussion before the County receives a copy of the AC for an authorized County signature. All

recorded phone calls referred to in this SOW are understood to be actual discussions with the property owner(s) of record on the property. Communicated messages (voicemail or otherwise) are not sufficient to meet the terms and conditions of this SOW or the MA.

5.4.4.4 If the estimated or actual Project cost increases by twenty- percent (20) from the time of the original Project confirmation discussion between the Provider and property owner, a second Project confirmation discussion will be required. The property owner will have to agree to all changes and once more declare verbally that they understand and agree to the amount of the yearly assessment that will appear on their tax bill. Provider will provide the County with the time and date of the discussion before the County receives a copy of the revised AC or Addendum for an authorized County signature. All project changes must be documented as an Addendum to the Assessment Contract.

5.4.4.5 After the property owner and County have entered into an AC and before the commencement of Project construction, the Provider will provide the property owner with two copies of a document titled “Notice to Proceed” (NTP). The NTP will include, at a minimum, all Project Measure(s) and the total financing amount the Provider is agreeing to provide. The property owner will sign, date, and deliver one of the NTP copies to the RHIC. The RHIC will be required to sign, date, and return a copy of the NTP to the Provider before beginning Project construction.

5.4.4.6 After the completion of Project construction and before the RHIC is paid, the RHIC will be required to provide copies of all Measure product warranties to both the property owner and the Provider. Provider will be required to maintain copies of the warranties according to the same requirements as other documents related to the Project financing.

5.4.5 Senior Citizen Protections

In addition to the required General Consumer Protections, provide heightened sensitivity and protections for property owners over 64 years old (i.e. senior citizens), including, but not limited to:

5.4.5.1 All RHICs must be trained to be sensitive to and communicate effectively with elderly property owners. This training shall include the ability to identify those elderly property owners exhibiting difficulty in comprehending the decision before them, and/or are incapable of making a responsible financial decision (e.g. confusion, repetition).

5.4.5.2 A discussion on:

5.4.5.2.1 Reason(s) for the specific Measure(s) being obtained

5.4.5.2.2 Terms of the Project financing, repayment term, early prepayments, and processes that apply in the event of a sale or transfer of title in the home

5.4.5.2.3 That payments for the Project financing will be added to the annual property tax bill, thereby causing it to increase

5.4.5.2.4 Date the first tax payment will be due

5.4.5.2.5 Any additional fees (including recording fees) that will be charged

5.4.5.3 In the event of any PACE inquiry or request on a property, where the owner(s) of title is/are senior(s), but either or both of them may be under a guardianship, trustee, or other legal delegation of authority, Provider and the RHIC must first verify said guardianship, trustee relationship, or other legal delegation of authority, and must require specific delegation of decision-making and ability to encumber the property on behalf of the owner(s) of record. County specifically reserves the right to modify or expand this paragraph to require additional written assurances or certifications of a special delegation of authority and any alleged agent's authority to enter into or facilitate the execution of a PACE Assessment.

5.4.6 Additional Protections and Prohibitions

5.4.6.1 Reverse Mortgage

Under no circumstances may any Assessment Contract be drawn or proposed on a property encumbered by a Reverse Mortgage. The existence of a Reverse Mortgage shall immediately disqualify the property from eligibility for a PACE assessment. RHICs and Provider shall incorporate a written disclosure and confirmation by any and all property owners certifying that the property is not subject to a Reverse Mortgage.

5.4.6.2 Limited Subordination

The LACEP PACE Program does not allow for limited subordination. Provider shall disclose this ban in its program documentation and marketing collateral and shall, at a minimum, give express notice that in the event property owner elects to apply to refinance a property encumbered by a PACE Assessment, that said assessment may be required to be paid in full by the mortgage lender as a condition for the refinancing transaction.

5.4.6.3 Fair Market Valuation of Property

Provider acknowledges and agrees that it shall develop and present to County a proposed methodology for complying with the Fair Market Valuation of properties pursuant to the provisions of AB 1284, which shall be subject to final approval by County in the exercise of its sole discretion, not to be unreasonably withheld.

5.4.6.4 Ability-to-Pay Assessment

Provider acknowledges and agrees that it shall develop and present to County a proposed methodology for assessing a PACE applicant's ability-

to-pay the annual PACE assessment on a timely basis. The process shall include, at a minimum, verified and documented statements of annual household income, comprehensive detail covering annual household expenses and any and all other expenses, monthly obligations and debts, and outstanding debt of the property owner(s), and may also include a credit report evidencing the property owner(s)' payment history. The proposed ability-to-pay proposal shall be subject to final approval by County in the exercise of its sole discretion, not to be unreasonably withheld.

5.5 Reserve Funds

Participate in the following reserve funds:

5.5.1 Statewide CAEATFA PACE Loss Reserve Fund

This reserve is set up to advance funds to a mortgage entity that may have to pay delinquent taxes and associated costs arising from a failure by a property owner to make timely payment of taxes on a property that carries a PACE assessment. Provider will work with the County to ensure that the Program rules and requirements meet the restrictions imposed by participating in the CAEATFA PACE Loss Reserve or such similar mortgage loss reserve or insurance program as approved by the County.

5.5.2 LA County PACE Reserve Fund (Loan Loss Reserve)

This is a cash reserve fund that may be utilized to make advances to bondholders under a specific indenture if a property owner is delinquent on his or her assessment payments, and insufficient funds are available to pay bondholders on the March 2nd and September 2nd debt service payment dates. The Loan Loss Reserve is a shared reserve fund within each master indenture, and held by a Trustee approved by the County.

The Loan Loss Reserve shall be funded by the Provider or through fees charged to participating property owners in an amount equal to 1.0% of the par amount of PACE Bonds issued by the Provider. Reserve Funds are established as specific to a particular Indenture, for the security of bondholders under that indenture, and may not be cross-collateralized against any other Reserve Fund established under any other indenture.

5.5.3 Quarterly and Annual Financial Statements

Provider shall timely deliver or cause to be delivered to the Department quarterly and annual audited financial statements.

5.6 Tax Administrator

Procure the services of a Tax Administrator, approved by County, to complete all following deliverables:

5.6.1 Facilitate placement of all assessments on the County Secured Property Tax roll

5.6.2 Utilize software to generate AC, recordation, and bond documents

- 5.6.3 Manage the repayment process, including, but not limited to: keeping track of all assessment amounts, terms, and statuses; refunding excessive or erroneous assessments; and managing delinquent payments and foreclosures
- 5.6.4 Implement procedures to timely process property owner requests for partial or full prepayment of their assessments, questions regarding impound account catch up payments, payment timing inquiries, payment amount reconciliation, etc.
- 5.6.5 Collaborate with the County to timely provide notice to property owners regarding both upcoming payments owed, and delinquencies
- 5.6.6 Provide monthly reports to the County regarding all prepayments and delinquencies
- 5.6.7 Enter into a Fee structure arrangement, pre-approved by County, in advance of Program implementation.
- 5.6.8 Provide language in the contract between Provider and Tax Administrator to indemnify the County.

6.0 ROLES AND PROCESSES - COUNTY

The County's role and processes:

6.1 Internal Services Department

County of Los Angeles, Internal Services Department will act as Program Administrator, responsible for design and management of the Program, including without limitation:

- 6.1.1 Exercises final review and approval of ACs and addenda (for compliance with Project cost, debt-to-equity ratios, and appraisal caps, as well as Project consistency with industry standards, conventions and costs)
- 6.1.2 Exercises final review and approval of any and all bond specimens and documents
- 6.1.3 Oversees and monitors Providers for consistency and compliance with County marketing policies, consumer protections, legal, and financial compliance
- 6.1.4 Reserves exclusive right to approve any proposed modifications of material and financial/fiscal terms of the Program (same to only become effective when agreed to by County in writing)
- 6.1.5 Conducts scheduled meetings with Providers, both individually and as a group, to address and trouble-shoot program implementation
- 6.1.6 When necessary or advised, facilitates conflict resolution between property owners and Providers
- 6.1.7 Consults with County Counsel to address any potential or formal legal controversies
- 6.1.8 Coordinates with other PACE Program Authorities statewide regarding functional, operational, performance, regulatory, legislative, and other aspects of PACE Program implementation and management
- 6.1.9 Maintains the County's PACE website

- 6.1.10 Considers and approves (or disapproves) changes to the list of Eligible Measures
- 6.1.11 Collects data from Providers, including but not limited to environmental metrics (kWh hours saved, gallons of water saved, therms saved, avoided GHG emissions in metric tons), economic indicators and metrics such as jobs created and disaggregated data on contractors, and geographic or socio-economic data derived from implementation and administration of the Program.
- 6.1.12 Serves as the primary representative of the County with PACE Providers, and is responsible for day-to-day management and execution of the PACE Program

6.2 Treasurer and Tax Collector

County of Los Angeles, Treasurer and Tax Collector:

- 6.2.1 Mails annual secured property tax bills with approved assessments added to the property tax roll by the Auditor-Controller.
- 6.2.2 Collects approved assessments through the secured property tax system
- 6.2.3 Reviews and approves all PACE financing documents, including new Master Indentures
- 6.2.4 In the event of default, is empowered to institute judicial foreclosure proceedings

7.0 ROLES AND RESPONSIBILITIES - PROVIDER

Provider shall be responsible for the following actions, activities, deliverables, and outcomes:

7.1 Eligible Property Owners and Properties

Verify property owner and property eligibility pursuant to the terms of LACEP Program Report, as follows:

- 7.1.1 Ensure that only improved properties will qualify; new construction shall not qualify unless ownership has already been transferred from developer to property owner. Only mobile and manufactured homes that are permanently attached to the real property shall qualify. Property owner must own the underlying land and pay real property taxes (not DMV fees). Condominium and Homeowner Association (HOA) controlled properties may qualify, pending management or association approval of requested Program improvements. The property owner shall obtain any required written authorization from the HOA management authorizing installation of eligible Measures on the subject property.
- 7.1.2 Confirm that there is no active pre-existing PACE Assessment registered against the Property (regardless of the PACE Program Provider); or that any pre-existing PACE Assessment against the property has been fully paid and satisfied; or that any currently proposed AC does not combine to make the property non-compliant with the provisions of this Paragraph 7.
- 7.1.3 Property taxes and assessments must be current on the property and have not been delinquent for a period up to five years (or since the date of the most recent transfer if less than five years).

- 7.1.4** The total amount of any annual property taxes and assessments shall not exceed five percent (5%) of the property's fair market value (FMV), determined at the time Project financing is approved.
- 7.1.5** The assessment may not exceed (A) (i) fifteen percent (15%) of the FMV of the property, up to the first seven hundred thousand dollars (\$700,000) of the property's FMV, and (ii) ten percent (10%) of the remaining value of the property above seven hundred thousand dollars (\$700,000) minus (B) any existing assessments on the property (FMV of the property will be determined by using various industry approved methodologies, including multiple objective valuation models, national real estate valuation providers and geographic home sales data).
- 7.1.6** Property must be subject to the payment of property taxes, with the following limitations:
 - 7.1.6.1** Only properties which are free from encumbrance of unresolved federal or state income tax liens, judgment liens, mechanic liens, or additional involuntary liens shall qualify for the Program.
 - 7.1.6.2** Provider may consider properties with liens listed heretofore with furnished proof of 12-months of consistent payments relevant to the respective encumbrance.
 - 7.1.6.3** Prohibited liens do not include special taxes, assessments or other financing district liens placed on all properties in that particular financing district.
 - 7.1.6.4** Prior to a new PACE assessment, the sum of all lien and mortgage balances must shall not exceed 90% of the FMV of the property; or assessed value if market value data is unavailable or unreliable, at the time of initial approval.
 - 7.1.6.5** As a result of a new PACE assessment, total cost of the assessment (including any and all interest, expenses, and costs), when added to the other existing debt on the property, may not exceed 92% of the FMV of the property.

7.2 Eligible Improvements

Verify improvement eligibility pursuant to the terms in the LACEP Program Report.

- 7.2.1** Provide and maintain an eligibility database for Measures verifying that all Measures installed meet the performance criteria that the U.S. Department of Energy, U.S. Environmental Protection Agency, California Building Energy Efficient Standards, and/or other federal and state agencies or other reputable parties have established. Update this database as needed, based on new Measures classes, changes in models, and types, etc. County approval is required.
- 7.2.2** Use industry standards to determine the useful life of each installed Measures, which will be used to set the maximum term for financing the Program. Neither Provider nor County is responsible for determining post-installation energy performance, savings or efficacy of such Measure(s).

- 7.2.3 In addition, and with specific reference to alleviating chronic drought conditions in Southern California, actively analyze additional and/or new water technologies for inclusion as eligible products.
 - 7.2.3.1 Train RHICs regarding water conservation measures and help them build a referral system of reputable installers.
 - 7.2.3.2 Use marketing channels, press events and collateral to increase consumer awareness of water efficiency upgrades.
 - 7.2.3.3 Coordinate with local outreach and awareness efforts, including LA County Water Authority, LADWP and Metropolitan Water District, subject to County approval.

7.3 Project Funding Requirements

Before commencement of Project:

- 7.3.1 Property owner must submit an application (via online, or by hard copy) and receive approval of the improvements by the Provider.
- 7.3.2 RHIC must review with the property owner a “Know before You Owe” or equivalent set of disclosures
- 7.3.3 RHIC must provide property owner and County the Project cost estimate signed and dated by property owner.
- 7.3.4 Property owner shall execute financing documents that contain the necessary terms and disclosures.
- 7.3.5 Provider must conduct a recorded confirmation (disclosed in advance to property owner) of terms call with property owner including scope of Project, price, disclosure of any pre-existing and/or active PACE Assessments on the property, and acknowledgement of tax bill changes. Consistent with California law, all property owners must have notice that the call is being recorded, for quality control.
- 7.3.6 Either Provider or the RHIC must conform with and document all other pre-installment/pre-construction consumer protection measures and actions set forth above in paragraph 5.4 (Consumer Protections).

7.4 Assessment Contract (AC)

Provider shall manage all phases of the AC process, including, at a minimum:

- 7.4.1 Provider shall work with County in a timely manner to align its internal electronic processes with County’s PACE-dedicated platform for automation of data collection from ACs applications
- 7.4.2 Set interest rates, fees, and terms as approved by County and re-negotiated periodically. Provider shall ensure that such interest rates, fees, and a summary of terms shall be made available to property owners.
- 7.4.3 Allow property owners to elect to pay all or a portion of the assessment amount at any time in any amount of at least \$2,500.

- 7.4.4** Utilize the County's Draft AC (attached in the LACEP Program Report), or a Provider-created AC template that does not contain any material variations from the Draft AC. Any and all AC forms approved to be used by Provider must include a disclosure by the Property Owner(s) whether any other active PACE Assessment exists on the property. Any Contractor-created AC template is subject to approval by the County. Other compliance protocols (as same may, from time to time, be amended or expanded) include:
- 7.4.4.1** Freddie Mac has previously stated that they will not refinance or purchase mortgages secured by properties subject to PACE obligations that provide for a first lien priority. Seller/Service providers are responsible for monitoring state and local laws to determine whether a jurisdiction has a PACE program that provides for first lien priority.
 - 7.4.4.2** Fannie Mae has previously stated that they will not refinance or purchase mortgage loans secured by properties with an outstanding PACE obligation unless the terms of the PACE program do not permit priority over first mortgage liens. Lenders are responsible for monitoring state and local law to determine whether a jurisdiction has a PACE program that provides for lien priority.
 - 7.4.4.3** Property owner shall review her or his existing mortgage documents, which may or may not be a conforming loan that has been acquired or would be eligible to be acquired by Freddie Mac or Fannie Mae.
 - 7.4.4.4** Existing mortgages may have prohibitions against entering into senior liens on the property.
 - 7.4.4.5** Disclose the risk that the property owner may need to pay off the PACE assessment at the time of sale or refinance.
 - 7.4.4.6** Should the Federal Housing Finance Agency (FHFA), Freddie Mac/Fannie Mae, banks, or other banking authority promulgate additional PACE-related rules, the Provider may recommend adjustments to its program based on said new or modified rules, which County may approve, change, or disapprove in its sole discretion. Any changes to the form Assessment Contract sought under this provision must be agreed to by County in writing.
 - 7.4.4.7** Use County-approved electronic signature platform to process ACs (If property owner does not have an e-mail account, a hard copy AC with original signature is required).
 - 7.4.4.8** Confirm, before issuing payment to the RHIC, that the Measure(s) financed are installed to the property owner's satisfaction and in accordance with product specifications, operational and in a condition that is acceptable to the property owner and the RHIC, and that both have attested to same by signing and submitting a Completion Certificate to the Provider.
 - 7.4.4.9** Provide the property owner with a final summary of costs and payments.

7.4.4.10 Conduct random on-site inspection of properties to confirm that Measure(s) listed on the Completion Certificate and for which Project financing has been provided have been installed.

7.4.4.11 Conduct a customer satisfaction survey, covering post-installation, reviews and complaints. Consistent with California law, all customers must have notice that the call is being recorded, for quality control.

7.4.4.12 Provide access to all executed ACs and addenda.

7.4.5 Changes to the Assessment Contract (AC)

Ensure any changes to an original AC require that the property owner and the County execute a new AC or Addendum.

7.4.5.1 Threshold modifications that require a new AC or Addendum:

7.4.5.1.1 An increase in Project price of \$100 or more

7.4.5.1.2 A change in one or more of the eligible products installed or additional products

7.4.5.1.3 All ACs and Addenda must include detailed measure data (including but not limited to: each measure, the number of measures, measure units, measure pricing, and any other measure-specific data)

7.4.5.2 Multiple Addenda to a single Project has been identified as an event that may result in a request for further information or property owner confirmation prior to issuance by the County of an approval or NTP.

7.5 **Recording**

Manage the lien recordation process, as follows (subject to County input):

7.5.1 Obtain a final invoice, and, if applicable, the closed out inspection and building permit records, from the RHIC, prior to issuing payment.

7.5.2 Obtain property owner's signature on Completion Certificate to confirm installation of the improvements.

7.5.3 Facilitate the County's execution of the Payment of Contractual Assessment (PCAR) and Notice of Assessment (NOA), whether electronically or via hard copy at the County Registrar-Recorder's Office.

7.5.4 Record the PCAR and NOA in a manner consistent with state law.

7.5.5 Require bond counsel to retain all recorded ACs and other recording documents and organize them commensurate with industry-standards.

7.6 **Bonds**

7.6.1 Provider will purchase unrated limited obligation improvement bonds issued by the County on a periodic basis, through means at its discretion:

7.6.1.1 **Primary Path**

Provider will purchase unrated bonds, through means at its discretion, including its cash on hand, credit facility, or other funding sources.

7.6.1.2 Secondary Path

Access “whole loan” buyers who are accredited investors and willing to purchase the unrated bonds and hold them to maturity, and are obligated to sign an investment letter.

7.6.1.3 Capital Market Securitization

For County-issued bonds purchased through the Primary Path, Providers are authorized to aggregate the County-issued bonds for sale in the capital markets on a periodic basis through an offering of asset-backed securities. All costs related to a Capital Market Securitization shall be paid by the Provider.

7.6.2 Establish and manage all phases of the issuance and funding for County bonds. At a minimum:

7.6.2.1 Develop a methodical, streamlined approach to ensure that all bond issuance requirements are met, including review by the Tax Administrator, obtaining bond counsel and the County signatures on all applicable bond documents, property owner amortization schedules, and property owner payment schedules

7.6.2.2 Manage the debt service payment process to bond holders through a third-party Trustee. County approval is required for any paying agent or Trustee to be assigned to the Program, with the understanding that in the event Provider shall issue an RFP for any third-party Trustee services, the Evaluation Committee elected to review proposals and recommend an award shall include County’s designee.

7.6.2.3 Provide Officer’s Certificates stating compliance with all governing documents with each issuance

7.6.2.4 Provide the County with at least 30 calendar days’ notice in advance of a planned securitization

7.6.2.5 Generate weekly bond document files that include all calculations in the bond documents and processes

7.6.2.6 Prior to any public sale of a securitization product, the Provider shall, upon request, provide the County with access to pricing materials, including transaction costs and secondary market trading activity, as well as bond documents

7.6.3 Providers under this RFSQ acknowledge and agree that County reserves the right, both prior to and throughout the duration of any and all Master Agreements, to directly procure and contract with bond counsel, Trustee, and/or Tax Administrators (collectively, the Financial Representatives), and that in such event, Vendor warrants and agrees to work with County Financial Representative(s) in a timely and

responsible manner. If County shall contract with Financial Representative(s) during the term of any Master Agreement, Provider(s) acknowledge and agree that it shall amend any existing agreements for said services in favor of County Financial Representatives, and shall arrange for the timely and complete transfer of records and documents necessary for the execution of services by County Financial Representatives

7.7 RHIC Management

- 7.7.1** Enroll, train, maintain, and manage a pool of home improvement contractors (registered with relevant state and local licensing board and agencies prior to enrollment into Provider programs) sufficient to meet Program demand and qualify as RHICs.
- 7.7.2** RHICs must have completed Contractor training; adhere to Program terms and conditions; maintain insurance and bonding requirements. Contractor training must provide substantive and clear training on consumer and senior protections; and ensure that all agents or employees of Contractor(s), including Affiliated Individuals, are fully trained to comply with all terms and provisions of this RFSQ, the Statement of Work, and the Master Agreement.
- 7.7.3** Verify RHIC compliance in accordance with the requirements set forth in the Operations Manual and, where relevant, the Program Handbook, on a regular and timely basis and suspend those in violation thereof. Compliance includes but is not limited to professional licenses and standing, insurances and applicable background checks, and compliance with any and all consumer protections, marketing and outreach criteria, and financing information and disclosure.
- 7.7.4** Ensure RHICs obtain requisite permitting for all Projects; and apply applicable investor owned utility rebates.
- 7.7.5** Implement a RHIC management system and procedures that manage and track RHIC training and compliance violations on an individual and company basis, including a probationary period for new RHICs, and remedial measures in place to warn, suspend or terminate RHICs and/or Affiliated Individuals who have violated programmatic requirements.
- 7.7.6** Provider may only charge fees to RHICs if they clearly and conspicuously disclose such fees to property owners and require that RHICs absorb these fees (and not pass them onto the property owner).
- 7.7.7** Provider must not provide RHIC or Affiliated Individual with any payments of material value or non-cash compensations of value for participation within the Program, including but not limited to:
 - 7.7.7.1** Direct cash payment(s)
 - 7.7.7.2** Enrolling or continuing to work with RHIC or offering Project financing to a property owner.
- 7.7.8** Provider is allowed to provide co-marketing funds to RHIC's:

- 7.7.8.1 Co-marketing materials must contain both the name of the Provider and the RHIC to whom such payment is made.
- 7.7.8.2 Before the Provider disburses co-marketing funds, the Provider must receive receipt(s) from the RHIC evidencing the amount spent on such co-marketing activities.
- 7.7.8.3 To qualify for co-marketing funding, the RHIC must have been registered with the Provider program for at least six (6) months and have completed at least twenty-five (25) Projects that received Program financing. The maximum yearly amount that a single RHIC can receive is limited to fifteen thousand dollars (\$15,000) per year.

7.8 Marketing

7.8.1 From Provider to Public

- 7.8.1.1 Provider shall develop and produce marketing collateral for electronic, print and/or other media pursuant to the terms and conditions of this RFSQ (see below) and of the MA; and, further, shall obtain County approval in writing prior to dissemination, and update as needed.
- 7.8.1.2 All marketing collateral must include the following information:
 - 7.8.1.2.1 PACE is a County-sponsored program
 - 7.8.1.2.2 PACE is **NOT** a free government program. PACE assessments are financial obligations secured by a lien against the property, in which a property owner pays back the assessment annually through their annual secured property tax bill
 - 7.8.1.2.3 Property owner may select the RHIC of their choice.
 - 7.8.1.2.4 No upfront partial payment or down-payment is required under the Program.
 - 7.8.1.2.5 Property owners have three (3) days from execution of the PACE application to cancel.
- 7.8.1.3 Provider must not engage in any practices that are, or could appear to be unfair, deceptive, abusive, or misleading; violate federal or state laws or regulations (including violating “Do-Not-Call” laws); or are in any way inappropriate, incomplete or inconsistent with the Program requirements.
- 7.8.1.4 Usage of County seal strictly prohibited, and Providers may not hold out the PACE Program as a “government” program.

7.8.2 From RHICs to Public

Develop, deliver, and enforce marketing guidelines (including, but not limited to, brand usage guidelines, sales and training protocol, etc.) for RHICs, subject to County approval.

7.9 Prohibition on Giving Tax Opinions and Tax Advice

No Provider, RHIC, or Affiliated Individual may provide any tax opinions or tax advice to property owners regarding Project financing, including affirmative statements or claims as to the tax deductibility of any assessment payments. The Provider, RHIC, or Affiliated Individual may encourage property owners to seek such advice from a qualified tax professional.

7.10 Real Estate Transactions

In consultation with County, Provider shall implement procedures to manage inquiries associated with real estate transactions impacting LA County homes with PACE assessments; however, as previously stated this Program does not permit limited subordinations, and any PACE assessments may be required to be paid in full by the mortgage lender as a condition of the refinancing transaction.

8.0 CONTRACT COMPLIANCE

County will evaluate Provider's performance under this MA, either directly or through a hired third party. Such evaluation will include assessing Provider's compliance with all terms in the MA and performance standards.

8.1 Remedies and Obligation to Cure

If Provider's performance does not conform to the requirements of this MA, County reserves the right to pursue the following remedies:

8.1.1 Require the Provider to implement a formal corrective action plan, subject to County approval. Therein, the Provider must include reasons for the unacceptable performance, specific steps to return performance to an acceptable level, and monitoring methods to prevent recurrence.

8.1.2 Assess fees or deduct payment from Provider by a computed amount based on the deductions/assessment fee(s) in the PRS pursuant to MA, paragraph 5.1 (Other Payments).

8.1.3 Failure of Provider to comply with, or satisfy the request/s for performance improvement, or to perform the work within ten (10) business days, shall constitute authorization for the County to have services performed by others. The total cost of such work performed by others as a consequence of Provider's failure to perform these services, as determined by the County, shall be credited to County on Provider's future invoice/s.

8.2 Failure to Remedy or Cure

If improvement does not occur consistent with the corrective action measures, County may impose other penalties as specified in this MA.

8.2.1 Provider's deficiencies which the County determines are severe or continuing and that may jeopardize performance of the MA will be reported to the County's Board of Supervisors. The report will include improvement/corrective action measures taken by the County and Provider.

8.2.2 Reduce, suspend or cancel the MA and/or any other document governing the relationship between the parties, for systematic problems, deliberate misrepresentations or unacceptable levels of performance.

8.2.3 County may terminate the MA and/or any other document governing the relationship between the parties, in whole or in part, if the Provider fails to come into compliance with the corrective measures identified by the County in its annual evaluation within.

This paragraph does not preclude County's right to terminate the MA and/or any other document governing the relationship between the parties, in accordance with MA, paragraph 8.41 (Termination for Convenience) and 8.42 (Termination for Default).

REQUIRED PROGRAM DOCUMENTS

A Organizational Chart
Staff leadership names, positions, and position descriptions
B Process Overview Flowchart
Commencing with marketing and ending with post-bonding real estate transactions
C Operations Manual
Operations Manual shall include all policies, processes, internal procedures, QA/QC, best practices, and materials for all Program components for audience of Provider staff, County staff, and RHICs.
<ol style="list-style-type: none"> 1. Implementation plan (actions that will be implemented pre-launch and upon program launch) 2. Customer service plan 3. Consumer protections measures (including but not limited to measures and requirements under AB 2693, the Preservation and Consumer Protections Act, effective January 1, 2017) 4. FHFA mitigation plan (actions Contractor will take if the FHFA decides to take action against the County or property owners) 5. Home improvement contractor management 6. Fee schedule, interest, other charges, and methodology (that will be paid by participating property owners) 7. Eligible measures (list of eligible measures) 8. Application 9. Marketing and public relations guidelines 10. Funding program description 11. Recordation process 12. Property owner qualifications 13. Property qualifications 14. Underwriting 15. QA/QC procedures 16. Outgoing transition plan
D Program Handbook
Detailing the terms governing all program participants, including property owners, home improvement contractors, lenders, and investors for an audience of property owners and applicants
<ol style="list-style-type: none"> 1. Program introduction (comprehensive summary of the Program, including a summary of property owner's rights and obligations. Must describe the nature of the lien or obligation created upon recordation) 2. Program contact information 3. Eligibility requirements 4. Program requirements 5. Financial terms 6. Program process 7. Dispute resolution 8. Future Program changes

REQUIRED PROGRAM DOCUMENTS

E Template Forms
Materials/documents from every phase of the Program process
<ol style="list-style-type: none">1. Assessment Contract (AC) and other ancillary documents (similar to the Draft AC in the LACEP Program Report, with no material variation in the terms and conditions)2. Marketing and Public Relations3. Underwriting4. Applications5. Recording6. Funding7. QA/QC during all processes8. Consumer Protections (including customer service and complaint management)

PERFORMANCE REQUIREMENTS SUMMARY (PRS)

Updated: October 2017

Master Agreement				
	REQUIRED SERVICE	STANDARD OF PERFORMANCE	MONITORING METHOD	DEDUCTION/FEE PER OCCURRENCE
7.0	Administration of Contract – Provider	Provider shall notify County in writing of any change in name or address of the Provider’s Project Manager	Inspection & Observation; Submittal of Exhibit X	\$500
8.38	Record Retention and Inspection/Audit Settlement	Provider to maintain all required documents as specified in paragraph 8.38	Inspection of files	\$100
8.40	Subcontracting	Provider shall obtain County’s written approval prior to subcontracting any work	Inspection & Observation	\$500 (2 or more occurrences are grounds for possible termination for default of Contract)

PERFORMANCE REQUIREMENTS SUMMARY (PRS)

Updated: October 2017

Statement of Work			
REQUIRED SERVICE	STANDARD OF PERFORMANCE	MONITORING METHOD	DEDUCTION/FEE PER OCCURRENCE
3.6	Outgoing Transition	Reporting	
	Cease approving new ACs six (6) months, or such time as is necessary, prior to the expiration or termination of this MA.	Reporting	\$500 (grounds for possible termination for default of Contract)
4.1	Tracking and Reporting	Observation & Reporting	\$500
	Track and provide data for all Program processes, log every change, note, and action	Observation & Reporting	\$500
5.4	Consumer Protections	Observation & Reporting	\$500
	Provider shall adhere to all consumer protections provided by law and those delineated in this SOW, in addition to those listed herein under 5.4	Observation & Reporting	\$500
6.0	Roles and Responsibilities	Reporting	Up to the impact of the infraction (grounds for possible termination for default of Contract)
	Ensure that there is no pre-existing active PACE Assessment on the property or, if so, that the proposed new AC does not render the property non-compliant with any and all PACE restrictions under State or local law, or with any of the provisions of Paragraph 6.0.	Reporting	Up to the impact of the infraction (grounds for possible termination for default of Contract)
7.4	Assessment Contract (AC)	Reporting	The greater of \$500 or the impact of the infraction (grounds for possible termination for default of Contract)
	Any and all AC forms approved to be used by Provider must include a disclosure by the Property Owner(s) whether any other active PACE Assessment exists on the property.	Reporting	The greater of \$500 or the impact of the infraction (grounds for possible termination for default of Contract)
7.4	Changes to the AC	Observation	\$200
	Provider shall adhere to the requirements specified in 7.4.5	Observation	\$200

Exhibit C

COUNTY'S ADMINISTRATION

1 OF 1

Updated: October 2017

COUNTY'S CONTRACT MANAGER

Name: Christie Carr

Title: Contracting Division Manager

Address: 1100 N Eastern Ave, Los Angeles, CA 90063

Telephone: (323) 267-3101

E-mail: ccarr@isd.lacounty.gov

COUNTY'S PROJECT MANAGER

Name: Demetra J. McBride

Title: Environmental Initiatives Division Manager – County Office of Energy + Environment

Address: 1100 N Eastern Ave, Los Angeles, CA 90063

Telephone: (323) 881-3971

E-mail: dmcbridehchoy@isd.lacounty.gov

Exhibit D

PROVIDER'S ADMINISTRATION

Updated: October 2017

PROVIDER'S PROGRAM DIRECTOR

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail: _____

PROVIDER'S PROGRAM MANAGER

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail: _____

AUTHORIZED OFFICIAL(S)

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail: _____

Name: _____

Title: _____

Address: _____

Telephone: _____

E-mail: _____

Exhibit E

ACKNOWLEDGEMENT AND CONFIDENTIALITY AGREEMENT – PROVIDER

GENERAL INFORMATION

The Provider referenced below has entered into a Master Agreement (MA) with the County of Los Angeles to provide certain services to the County. The County requires the Provider to sign this Acknowledgement and Confidentiality Agreement.

ACKNOWLEDGEMENT

Provider understands and agrees that the Provider employees, consultants, outsourced vendors and independent contractors (Provider's Staff) that will provide services in the below referenced MA are Provider's sole responsibility. Provider understands and agrees that Provider's Staff must rely exclusively upon Provider for payment of salary and any and all other benefits payable by virtue of Provider's Staff's performance of work under the below-referenced MA.

Provider understands and agrees that Provider's Staff are not employees of the County of Los Angeles for any purpose whatsoever and that Provider's Staff do not have and will not acquire any rights or benefits of any kind from the County of Los Angeles by virtue of my performance of work under the below-referenced MA. Provider understands and agrees that Provider's Staff will not acquire any rights or benefits from the County of Los Angeles pursuant to any agreement between any person or entity and the County of Los Angeles.

CONFIDENTIALITY AGREEMENT

Provider and Provider's Staff may be involved with work pertaining to services provided by the County of Los Angeles and, if so, Provider and Provider's Staff may have access to confidential data and information pertaining to persons and/or entities receiving services from the County. In addition, Provider and Provider's Staff may also have access to proprietary information supplied by other vendors doing business with the County of Los Angeles. The County has a legal obligation to protect all such confidential data and information in its possession, especially data and information concerning health, criminal, and welfare recipient records. Provider and Provider's Staff understand that if they are involved in County work, the County must ensure that Provider and Provider's Staff, will protect the confidentiality of such data and information. Consequently, Provider must sign this Confidentiality Agreement as a condition of work to be provided by Provider's Staff for the County.

Provider and Provider's Staff hereby agrees that they will not divulge to any unauthorized person any data or information obtained while performing work pursuant to the below-referenced MA between Provider and the County of Los Angeles. Provider and Provider's Staff agree to forward all requests for the release of any data or information received to County's Contract Director.

Provider and Provider's Staff agree to keep confidential all health, criminal, and welfare recipient records and all data and information pertaining to persons and/or entities receiving services from the County, design concepts, algorithms, programs, formats, documentation, vendor proprietary information and all other original materials produced, created, or provided to Provider and Provider's Staff under the below-referenced MA. Provider and Provider's Staff agree to protect these confidential materials against disclosure to other than Provider or County employees who have a need to know the information. Provider and Provider's Staff agree that if proprietary information supplied by other County vendors is provided to me during this employment, Provider and Provider's Staff shall keep such information confidential.

Provider and Provider's Staff agree to report any and all violations of this agreement by Provider and Provider's Staff and/or by any other person of whom Provider and Provider's Staff become aware.

Provider and Provider's Staff acknowledge that violation of this agreement may subject Provider and Provider's Staff to civil and/or criminal action and that the County of Los Angeles may seek all possible legal redress.

PROVIDER NAME		COUNTY MASTER AGREEMENT NUMBER
OFFICIAL'S NAME (PRINT)	OFFICIAL'S TITLE	
SIGNATURE	DATE	

Exhibit F

EEO CERTIFICATION

In accordance with provisions of the County Code of the County of Los Angeles, the Provider certifies and agrees that all persons employed by such firm, its affiliates, subsidiaries, or holding companies are and will be treated equally by the firm without regard to or because of race, religion, ancestry, national origin, or sex and in compliance with all anti-discrimination laws of the United States of America and the State of California.

- | | YES | NO |
|---|--------------------------|--------------------------|
| 1. Provider has written policy statement prohibiting discrimination in all phases of employment. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Provider periodically conducts a self-analysis or utilization analysis of its work force. | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Provider has a system for determining if its employment practices are discriminatory against protected groups. | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. When areas are identified in employment practices, Provider has a system for taking reasonable corrective action to include establishment of goal and/or timetables. | <input type="checkbox"/> | <input type="checkbox"/> |

PROVIDER NAME		COUNTY MASTER AGREEMENT NUMBER
OFFICIAL'S NAME (PRINT)	OFFICIAL'S TITLE	
SIGNATURE	DATE	

CONTRACTOR EMPLOYEE JURY SERVICE

2.203.010 - Findings.

The board of supervisors makes the following findings. The county of Los Angeles allows its permanent, full-time employees unlimited jury service at their regular pay. Unfortunately, many businesses do not offer or are reducing or even eliminating compensation to employees who serve on juries. This creates a potential financial hardship for employees who do not receive their pay when called to jury service, and those employees often seek to be excused from having to serve. Although changes in the court rules make it more difficult to excuse a potential juror on grounds of financial hardship, potential jurors continue to be excused on this basis, especially from longer trials. This reduces the number of potential jurors and increases the burden on those employers, such as the county of Los Angeles, who pay their permanent, full-time employees while on juror duty. For these reasons, the county of Los Angeles has determined that it is appropriate to require that the businesses with which the county contracts possess reasonable jury service policies.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.020 - Definitions.

The following definitions shall be applicable to this chapter:

- A. "Contractor" means a person, partnership, corporation or other entity which has a contract with the county or a subcontract with a county contractor and has received or will receive an aggregate sum of \$50,000 or more in any 12-month period under one or more such contracts or subcontracts.
- B. "Employee" means any California resident who is a full-time employee of a contractor under the laws of California.
- C. "Contract" means any agreement to provide goods to, or perform services for or on behalf of, the county but does not include:
 - 1. A contract where the board finds that special circumstances exist that justify a waiver of the requirements of this chapter; or
 - 2. A contract where federal or state law or a condition of a federal or state program mandates the use of a particular contractor; or
 - 3. A purchase made through a state or federal contract; or
 - 4. A monopoly purchase that is exclusive and proprietary to a specific manufacturer, distributor, or reseller, and must match and inter-member with existing supplies, equipment or systems maintained by the county pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-3700 or a successor provision; or
 - 5. A revolving fund (petty cash) purchase pursuant to the Los Angeles County Fiscal Manual, Section 4.4.0 or a successor provision; or
 - 6. A purchase card purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section P-2810 or a successor provision; or
 - 7. A non-agreement purchase with a value of less than \$5,000 pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section A-0300 or a successor provision; or
 - 8. A bona fide emergency purchase pursuant to the Los Angeles County Purchasing Policy and Procedures Manual, Section PP-1100 or a successor provision.
- D. "Full time" means 40 hours or more worked per week, or a lesser number of hours if:
 - 1. The lesser number is a recognized industry standard as determined by the chief administrative officer, or
 - 2. The contractor has a long-standing practice that defines the lesser number of hours as full time.

Exhibit G

CONTRACTOR EMPLOYEE JURY SERVICE

2 OF 3

- E. "County" means the county of Los Angeles or any public entities for which the board of supervisors is the governing body.

(Ord. 2002-0040 § 1, 2002; Ord. 2002-0015 § 1 (part), 2002)

2.203.030 - Applicability.

This chapter shall apply to contractors who enter into contracts that commence after July 11, 2002. This chapter shall also apply to contractors with existing contracts which are extended into option years that commence after July 11, 2002. Contracts that commence after May 28, 2002, but before July 11, 2002, shall be subject to the provisions of this chapter only if the solicitations for such contracts stated that the chapter would be applicable.

(Ord. 2002-0040 § 2, 2002; Ord. 2002-0015 § 1 (part), 2002)

2.203.040 - Contractor Jury Service Policy.

A contractor shall have and adhere to a written policy that provides that its employees shall receive from the contractor, on an annual basis, no less than five days of regular pay for actual jury service. The policy may provide that employees deposit any fees received for such jury service with the contractor or that the contractor deduct from the employees' regular pay the fees received for jury service.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.050 - Other Provisions.

A. Administration. The chief administrative officer shall be responsible for the administration of this chapter. The chief administrative officer may, with the advice of county counsel, issue interpretations of the provisions of this chapter and shall issue written instructions on the implementation and ongoing administration of this chapter. Such instructions may provide for the delegation of functions to other county departments.

B. Compliance Certification. At the time of seeking a contract, a contractor shall certify to the county that it has and adheres to a policy consistent with this chapter or will have and adhere to such a policy prior to award of the contract.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.060 - Enforcement and Remedies.

For a contractor's violation of any provision of this chapter, the county department head responsible for administering the contract may do one or more of the following:

1. Recommend to the board of supervisors the termination of the contract; and/or,
2. Pursuant to chapter 2.202, seek the debarment of the contractor.

(Ord. 2002-0015 § 1 (part), 2002)

CONTRACTOR EMPLOYEE JURY SERVICE

2.203.070 - Exceptions.

- A. Other Laws. This chapter shall not be interpreted or applied to any contractor or to any employee in a manner inconsistent with the laws of the United States or California.
- B. Collective Bargaining Agreements. This chapter shall be superseded by a collective bargaining agreement that expressly so provides.
- C. Small Business. This chapter shall not be applied to any contractor that meets all of the following:
 - 1. Has ten or fewer employees during the contract period; and,
 - 2. Has annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, are less than \$500,000; and,
 - 3. Is not an affiliate or subsidiary of a business dominant in its field of operation.

“Dominant in its field of operation” means having more than ten employees and annual gross revenues in the preceding twelve months which, if added to the annual amount of the contract awarded, exceed \$500,000.

“Affiliate or subsidiary of a business dominant in its field of operation” means a business which is at least 20 percent owned by a business dominant in its field of operation, or by partners, officers, directors, majority stockholders, or their equivalent, of a business dominant in that field of operation.

(Ord. 2002-0015 § 1 (part), 2002)

2.203.090. Severability.

If any provision of this chapter is found invalid by a court of competent jurisdiction, the remaining provisions shall remain in full force and effect.

(Ord. 2002-0015 § 1 (part), 2002)

SAFELY SURRENDERED BABY LAW

Safely Surrendered
Baby Law

*Babies can be safely surrendered
to staff at any hospital or fire station in Los Angeles County*

No shame. No blame. No names.

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

SAFELY SURRENDERED BABY LAW

In Los Angeles County: 1-877-BABY SAFE • 1-877-222-8723
www.babysafela.org

Safely Surrendered Baby Law

What is the Safely Surrendered Baby Law?

California's Safely Surrendered Baby Law allows parents or other persons, with lawful custody, which means anyone to whom the parent has given permission to confidentially surrender a baby. As long as the baby is three days (72 hours) of age or younger and has not been abused or neglected, the baby may be surrendered without fear of arrest or prosecution.

Every baby deserves a chance for a healthy life. If someone you know is considering abandoning a baby, let her know there are other options. For three days (72 hours) after birth, a baby can be surrendered to staff at any hospital or fire station in Los Angeles County.

How does it work?

A distressed parent who is unable or unwilling to care for a baby can legally, confidentially, and safely surrender a baby within three days (72 hours) of birth. The baby must be handed to an employee at a hospital or fire station in Los Angeles County. As long as the baby shows no sign of abuse or neglect, no name or other information is required. In case the parent changes his or her mind at a later date and wants the baby back, staff will use bracelets to help connect them to each other. One bracelet will be placed on the baby, and a matching bracelet will be given to the parent or other surrendering adult.

What if a parent wants the baby back?

Parents who change their minds can begin the process of reclaiming their baby within 14 days. These parents should call the Los Angeles County Department of Children and Family Services at 1-800-540-4000.

Can only a parent bring in the baby?

No. While in most cases a parent will bring in the baby, the Law allows other people to bring in the baby if they have lawful custody.

Does the parent or surrendering adult have to call before bringing in the baby?

No. A parent or surrendering adult can bring in a baby anytime, 24 hours a day, 7 days a week, as long as the parent or surrendering adult surrenders the baby to someone who works at the hospital or fire station.

Does the parent or surrendering adult have to tell anything to the people taking the baby?

No. However, hospital or fire station personnel will ask the surrendering party to fill out a questionnaire designed to gather important medical history information, which is very useful in caring for the baby. The questionnaire includes a stamped return envelope and can be sent in at a later time.

What happens to the baby?

The baby will be examined and given medical treatment. Upon release from the hospital, social workers immediately place the baby in a safe and loving home and begin the adoption process.

What happens to the parent or surrendering adult?

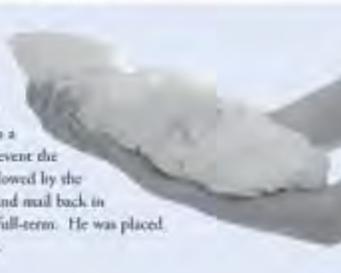
Once the parent or surrendering adult surrenders the baby to hospital or fire station personnel, they may leave at any time.

Why is California doing this?

The purpose of the Safely Surrendered Baby Law is to protect babies from being abandoned, hurt or killed by their parents. You may have heard tragic stories of babies left in dumpsters or public bathrooms. Their parents may have been under severe emotional distress. The mothers may have hidden their pregnancies, fearful of what would happen if their families found out. Because they were afraid and had no one or nowhere to turn for help, they abandoned their babies. Abandoning a baby is illegal and places the baby in extreme danger. Too often, it results in the baby's death. The Safely Surrendered Baby Law prevents this tragedy from ever happening again in California.

A baby's story

Early in the morning on April 9, 2005, a healthy baby boy was safely surrendered to nurses at Harbor-UCLA Medical Center. The woman who brought the baby to the hospital identified herself as the baby's aunt and stated the baby's mother had asked her to bring the baby to the hospital on her behalf. The aunt was given a bracelet with a number matching the anklet placed on the baby; this would provide some identification in the event the mother changed her mind about surrendering the baby and wished to reclaim the baby in the 14-day period allowed by the Law. The aunt was also provided with a medical questionnaire and said she would have the mother complete and mail back in the stamped return envelope provided. The baby was examined by medical staff and pronounced healthy and full-term. He was placed with a loving family that had been approved to adopt him by the Department of Children and Family Services.



SAFELY SURRENDERED BABY LAW

Ley de Entrega de Bebés *Sin Peligro*

Los recién nacidos pueden ser entregados en forma segura al personal de cualquier hospital o cuartel de bomberos del Condado de Los Angeles

Sin pena. Sin culpa. Sin nombres.

En el Condado de Los Angeles: 1-877-BABY SAFE • 1-877-222-9723
www.babysafela.org

SAFELY SURRENDERED BABY LAW

En el Condado de Los Angeles: 1-877-BABY SAFE • 1-877-222-8723
www.babysafela.org

Ley de Entrega de Bebés Sin Peligro

¿Qué es la Ley de Entrega de Bebés sin Peligro?

La Ley de Entrega de Bebés sin Peligro de California permite la entrega confidencial de un recién nacido por parte de sus padres u otras personas con custodia legal, es decir cualquier persona a quien los padres le hayan dado permiso. Siempre que el bebé tenga tres días (72 horas) de vida o menos, y no haya sufrido abuso ni negligencia, pueden entregar al recién nacido sin temor de ser arrestados o procesados.

Cada recién nacido se merece la oportunidad de tener una vida saludable. Si alguien que usted conoce está pensando en abandonar a un recién nacido, infórmele que tiene otras opciones. Hasta tres días (72 horas) después del nacimiento, se puede entregar un recién nacido al personal de cualquier hospital o cuartel de bomberos del condado de Los Angeles.

¿Cómo funciona?
El padre/madre con dificultades que no pueda o no quiera cuidar de su recién nacido puede entregarlo en forma legal, confidencial y segura dentro de los tres días (72 horas) del nacimiento. El bebé debe ser entregado a un empleado de cualquier hospital o cuartel de bomberos del Condado de Los Angeles. Siempre que el bebé no presente signos de abuso o negligencia, no será necesario suministrar nombres ni información alguna. Si el padre/madre cambia de opinión posteriormente y desea recuperar a su bebé, los trabajadores utilizarán brazaletes para poder vincularlos. El bebé llevará un brazalete y el padre/madre o el adulto que lo entregue recibirá un brazalete igual.

¿Qué pasa si el padre/madre desea recuperar a su bebé?
Los padres que cambien de opinión pueden comenzar el proceso de reclamar a su recién nacido dentro de los 14 días. Estos padres deberán llamar al Departamento de Servicios para Niños y Familias (Department of Children and Family Services) del Condado de Los Angeles al 1-800-540-4000.

¿Sólo los padres podrán llevar al recién nacido?
No. Si bien en la mayoría de los casos son los padres los que llevan al bebé, la ley permite que otras personas lo hagan si tienen custodia legal.

¿Los padres o el adulto que entrega al bebé deben llamar antes de llevar al bebé?
No. El padre/madre o adulto puede llevar al bebé en cualquier momento, las 24 horas del día, los 7 días de la semana, siempre y cuando entreguen a su bebé a un empleado del hospital o cuartel de bomberos.

¿Es necesario que el padre/madre o adulto diga algo a las personas que reciben al bebé?
No. Sin embargo, el personal del hospital o cuartel de bomberos le pedirá a la persona que entregue al bebé que llene un cuestionario con la finalidad de recabar antecedentes médicos importantes, que resultan de gran utilidad para cuidar bien del bebé. El cuestionario incluye un sobre con el sello postal pagado para enviarlo en otro momento.

¿Qué pasará con el bebé?
El bebé será examinado y le brindarán atención médica. Cuando le den el alta del hospital, los trabajadores sociales inmediatamente ubicarán al bebé en un hogar seguro donde estará bien atendido, y se comenzará el proceso de adopción.

¿Qué pasará con el padre/madre o adulto que entregue al bebé?
Una vez que los padres o adulto hayan entregado al bebé al personal del hospital o cuartel de bomberos, pueden irse en cualquier momento.

¿Por qué se está haciendo esto en California?
La finalidad de la Ley de Entrega de Bebés sin Peligro es proteger a los bebés para que no sean abandonados, lastimados o muertos por sus padres. Usted probablemente haya escuchado historias trágicas sobre bebés abandonados en basureros o en baños públicos. Los padres de esos bebés probablemente hayan estado pasando por dificultades emocionales graves. Las madres pueden haber ocultado su embarazo, por temor a lo que pasaría si sus familias se enteraran. Abandonaron a sus bebés porque tenían miedo y sus tenían nadie a quien pedir ayuda. El abandono de un recién nacido es ilegal y pone al bebé en una situación de peligro extremo. Muy a menudo el abandono provoca la muerte del bebé. La Ley de Entrega de Bebés sin Peligro impide que vuelva a suceder esta tragedia en California.

Historia de un bebé

A la mañana temprana del día 9 de abril de 2005, se entregó un recién nacido saludable a las enfermeras del Harbor-UCLA Medical Center. La mujer que llevó el recién nacido al hospital se dio a conocer como la tía del bebé, y dijo que la madre le había pedido que llevara al bebé al hospital en su nombre. Le entregaron a la tía un brazalete con un número que coincidía con la pulsera del bebé; esto serviría como identificación en caso de que la madre cambiara de opinión con respecto a la entrega del bebé y decidiera recuperarlo dentro del período de 14 días que permite esta ley. También le dieron a la tía un cuestionario médico, y ella dijo que la madre lo llenaría y lo enviaría de vuelta dentro del sobre con franqueo pagado que le habían dado. El personal médico examinó al bebé y se determinó que estaba saludable y a término. El bebé fue ubicado con una buena familia que ya había sido aprobada para adoptarlo por el Departamento de Servicios para Niños y Familias.



Exhibit I

CHARITABLE CONTRIBUTIONS CERTIFICATION

The Nonprofit Integrity Act (SB 1262, Chapter 919) added requirements to California’s Supervision of Trustees and Fundraisers for Charitable Purposes Act which regulates those receiving and raising charitable contributions.

Check the Certification below that is applicable to your company:

Provider has examined its activities and determined that it does not now receive or raise charitable contributions regulated under California’s Supervision of Trustees and Fundraisers for Charitable Purposes Act. If Provider engages in activities subjecting it to those laws during the term of a County contract, it will timely comply with them and provide County a copy of its initial registration with the California State Attorney General’s Registry of Charitable Trusts when filed.

OR

Provider is registered with the California Registry of Charitable Trusts under the CT number listed above and is in compliance with its registration and reporting requirements under California law. Attached is a copy of its most recent filing with the Registry of Charitable Trusts as required by Title 11 California Code of Regulations, sections 300-301 and Government Code sections 12585-12586

PROVIDER NAME		COUNTY MASTER AGREEMENT NUMBER
ADDRESS		
INTERNAL REVENUE SERVICE EMPLOYER IDENTIFICATION NUMBER		
CALIFORNIA REGISTRY OF CHARITABLE TRUSTS “CT” NUMBER (IF APPLICABLE)		
OFFICIAL’S NAME (PRINT)	OFFICIAL’S TITLE	
SIGNATURE		DATE

ATTACHMENT 2

Bid Detail Information

Bid Number : 104612
Bid Title : RFSQ - Residential Property Assessed Clean Energy (PACE) Program Provider
Bid Type : Service
Department : Internal Services Department
Commodity : CONSULTING SERVICES-ENERGY CONSERVATION
Open Date : 10/12/2017
Closing Date : Continuous
Bid Amount : N/A
Bid Download : [Available](#)
Bid Description : The County of Los Angeles (County), Internal Services Department (referred to herein interchangeably as ISD or the Department) is seeking qualified vendors to enter into Master Agreement(s) (MA) with the County to serve as Provider(s) for and to implement the County's Property Assessed Clean Energy (PACE) Program (referred to herein as the PACE Program), pursuant to the terms of this Request for Statement of Qualifications (RFSQ), the Statement of Work annexed as Appendix A (the Statement of Work), and the Master Agreement with PACE Providers (and the documents referred to therein, such as the County's PACE Manual). The County's Residential PACE Program was adopted under and governed by Assembly Bill 811 (AB 811). PACE Providers responding to this RFSQ will be required to administer a PACE Program on behalf of the County pursuant to AB 811.
Contact Name : Susana Ortega
Contact Phone# : (323) 881-5178
Contact Email : SOrtega@isd.lacounty.gov
Last Changed On : 10/12/2017 3:29:43 PM